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**AGREEMENT<sup>1,000</sup>  
AND  
WORKING RULES  
BETWEEN**

**ALCOA, INC.**

**And The**

**International Union  
United Automobile, Aerospace,  
and Agricultural Implement  
Workers Of America**

**And  
UAW LOCAL NO. 1050**

**Plant Located at  
CLEVELAND, OHIO**

**September 30, 2001**

AGREEMENT

AND

WORKING RULES

**ALCOA, INC.**

INTERNATIONAL UNION  
UNITED AUTOMOBILE, AEROSPACE, AND  
AGRICULTURAL IMPLEMENT WORKERS  
OF AMERICA

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UAW LOCAL NO. 1050

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# CLEVELAND AGREEMENT CONTENTS

	Page
Article I. Purpose and Scope .....	6
Section 1. Coverage .....	7
Section 2. Recognition .....	7
Section 3. Direction of the Working Forces .....	7
Section 4. Negotiation of Excluded Matters .....	7
Article II. Union Security and Check-Off .....	7
Article III. Continuation of Wage Rates .....	12
Article IV. Grievance Procedure .....	12
Section 5. Scope .....	12
Section 6. Procedure .....	12
Section 7. Limitations .....	14
Section 8. Access to Plants .....	15
Article V. Arbitration .....	15
Section 9. Scope .....	15
Section 10. Arbitration Board .....	16
Section 11. Duties of the Arbitration Board .....	16
Section 12. Finality of Awards .....	16
Section 13. Jurisdiction .....	16
Section 14. Costs .....	17
Section 15. Agreement Against Strikes and Lockouts .....	17
Article VI. Disciplinary Action .....	18
Article VII. Leave of Absence .....	19
Section 16. Employees .....	19

<b>Contents (Cont'd.)</b>	<b>Page</b>
Section 17. Union Officials .....	20
Article VIII. Allowed Time .....	21
Section 18. Call-In Pay .....	21
Section 19. Incomplete Day's Work .....	21
Article IX. Hours of Work, Overtime and Premium Pay.....	21
Section 20. Hours of Work .....	21
Section 21. Daily Overtime .....	22
Section 22. Sixth or Seventh Consecutive Day and Sunday Work .....	22
Section 23. Holiday Pay .....	23
Section 24. Weekly Overtime .....	24
Section 25. General Rules .....	24
Section 26. Shift and Schedule Premiums .....	25
Article X. Vacations .....	26
Article XI. Supervisors .....	30
Article XII. Bulletin Boards .....	30
Article XIII. Military Service .....	31
Article XIV. Disabled or Handicapped Employees ..	31
Article XV. Discrimination .....	31
Article XVI. Seniority .....	32
Section 27. Termination of Seniority .....	33
Section 28. Prior Seniority .....	35
Section 29. Union Officials .....	35
Section 30. Seniority Lists .....	35
Section 31. Notice of Reduction of Forces .....	36
Section 32. Notice of Restoration of Forces .....	36

<b>Contents (Cont'd.)</b>	<b>Page</b>
Section 33. Exceptions to the Application of Seniority .....	37
Section 34. Transfers .....	37
Section 35. Seniority on Return to Bargaining Unit .....	38
Section 36. Probationary Employees .....	40
Article XVII. Work and Job Assignment .....	40
Section 37. New Job Classification or Vacancy in Classification .....	40
Section 38. Rates on Promotions or Demotions .....	42
Section 39. Rates on Temporary Assignments ...	42
Article XVIII. Report of Physical Examination .....	42
Article XIX. Safety and Health .....	42
Article XX. Jury and Witness Pay .....	44
Article XXI. Group Insurance .....	44
Article XXII. Supplemental Unemployment Benefits .....	49
Article XXIII. Rights Under This Agreement .....	60
Section 40. Performance Under Agreement .....	60
Section 41. Other Agreements .....	61
Section 42. Local Agreements .....	61
Article XXIV. New and Changed Job Classifications .....	61
Section 43. New Job Classifications .....	62
Section 44. Changed Job Classifications .....	62
Article XXV. Legal Rights .....	63
Article XXVI. Bereavement Pay .....	64

<b>Contents (Cont'd.)</b>	<b>Page</b>
Article XXVII. Income Maintenance Program . . . . .	64
Section 45. Definitions . . . . .	65
Section 46. Benefit Calculation . . . . .	66
Section 47. General . . . . .	67
Article XXVIII. Period of Agreement . . . . .	67
Appendix I. Standard Hourly Rates . . . . .	69
Appendix II. Apprentice Rate Progression Schedule . . . . .	72
Appendix III. Cost of Living . . . . .	73
Appendix IV. Summary of Job and Income Security Program . . . . .	76
Appendix V. Shift Premium Hourly Rates . . . . .	84
Appendix VI. Performance Pay Plan . . . . .	85
Appendix VII. Successorship . . . . .	93
Appendix VIII. Neutrality . . . . .	93

### **LOCAL SUPPLEMENT INDEX**

Article XXIX. Reduction of Forces . . . . .	93
Article XXX. Restoration of Forces . . . . .	95
Article XXXI. Pay for Lost Time . . . . .	97
Article XXXII. Refusal of Assignment . . . . .	97

### **OTHER ITEMS**

Job Classifications and Grades . . . . .	97
Cleveland Letters Index . . . . .	103

## **AGREEMENT**

This Agreement, dated **September 30, 2001**, amending the Agreement of **September 30, 1996**, is between the **ALCOA, INC.**, hereinafter referred to as the Company, and the International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America, and its Local No. 1050 at Cleveland, Ohio, hereinafter referred to as the Union.

### **ARTICLE I — PURPOSE AND SCOPE**

It is mutually recognized and agreed by the parties hereto that the intent and purpose of this Agreement is to promote and improve the working relationships between the Company and the employees represented by the Union. Further, it is mutually recognized and accepted as a principle intended to be a general rule of conduct, and vital to the interests of all concerned with this Agreement, that sincere and good faith efforts be consistently practiced by all participants hereto to perform their duties and encourage others to conduct themselves likewise in a diligent, orderly and responsible manner so as to insure efficient conduct of the Company's operations in an atmosphere free of ill-feeling and animosity.

The parties pledge themselves to a sincere effort to overcome the influences which have interfered with attainment of the above-mentioned goals. By such arrangement the parties believe that they, as people of good will with sound purpose, may best protect private enterprise and its efficiency in the interest of all, as well as the legitimate interests of their respective organizations within the framework of a free society in which regard for fact and fairness is essential.

#### **Section 1. Coverage**

It is the intent and purpose of the parties to set forth certain agreements pertaining to wages, hours, and working conditions to be observed between the parties, and to provide procedures for the prompt and equitable adjustment of grievances.

## **Section 2. Recognition**

The Company recognizes the Union as the exclusive collective bargaining agency for those employees of the Company in its Cleveland, Ohio plant for which the Union has heretofore been certified by the National Labor Relations Board, or for whom the Company has recognized the Union as the exclusive collective bargaining agency. The provisions of the Agreement shall apply solely to those employees for whom the Union has been so certified or recognized.

## **Section 3. Direction of the Working Forces**

Except as may be limited by the provisions of this Agreement the operation of the plant and the direction of the working forces, including the right to hire, layoff, suspend, dismiss, and discharge any employee for proper and just cause are vested exclusively with the Company.

The selection of an individual to fill any job of a supervisory nature not included within the bargaining unit is the exclusive determination of the Company.

## **Section 4. Negotiation of Excluded Matters**

The Company is willing at all times to discuss and negotiate any matter pertaining to hours and working conditions not in conflict with or not covered by this Agreement and not determined in negotiations of this Agreement. Such negotiations shall be with properly certified representatives of the Union with the object of reaching a satisfactory understanding.

## **ARTICLE II — UNION SECURITY AND CHECK-OFF**

### **A. Union Membership**

1. Each employee who on the effective date of this Agreement is a member of the Union in good standing and each employee who becomes a member after that date, shall as a condition of employment, maintain his/her membership in the Union.

2. Each employee hired on or after September 28, 1956, shall, as a condition of employment, beginning on the 30th day following the beginning of such employment



## **ARTICLE II (Cont'd.)**

or the effective date of this Agreement, whichever is the later, acquire and maintain membership in the Union.

3. On or before the last day of each month the Union shall submit to the Company a notarized list showing separately for each plant the name, department and clock number of each employee who shall have become a member of the Union in good standing other than through the procedures pursuant to Paragraph A-2 above since the last previous list of such members was furnished to the Company. The Company shall continue to rely upon the membership lists which have been certified to it by the Union in the past, subject to revision by the addition of new members certified to it by the Union to the date of this Agreement and to the deletion of the names of employees who have withdrawn from membership prior to the date of this Agreement.

For the purpose of this Article, an employee shall not be deemed to have lost his/her membership in the Union in good standing until the local Financial Secretary of the Union shall have determined that the membership of such employee in the Union is not in good standing and shall have given the Company a notice in writing of that fact.

The foregoing provisions shall be effective in accordance and consistent with applicable provisions of federal and state law.

### **B. Check-Off**

1. The Company will check-off monthly dues, assessments, and initiation fees each as designated by the local Financial Secretary of the Union, as membership dues in the Union, on the basis of individually signed voluntary check-off authorization cards in forms agreed to by the Company and the Union.

2. At the time of his/her employment, the Company will suggest that each new employee voluntarily execute an authorization for the check-off of Union dues in the form agreed upon. A copy of such authorization card for the check-off of Union dues shall be forwarded to the

Financial Secretary of the local Union along with the membership application of such employee.

3. New check-off authorization cards other than those provided for by Paragraph B-2 above will be submitted to the Company through the Financial Secretaries of the local Unions at intervals no more frequent than once each month. On or before the last day of each month the Union shall submit to the Company a summary list of cards transmitted in each month.

4. Deductions on the basis of authorization cards submitted to the Company shall commence with respect to dues for the month in which the Company receives such authorization card or in which such card becomes effective, whichever is later. Dues for a given month shall be deducted from the third pay period ending in the current month.

5. In cases of earnings insufficient to cover deduction of dues, the dues shall be deducted from the next pay in which there are sufficient earnings, or a double deduction may be made from the third pay of the following month, provided, however, that the accumulation of dues shall be limited to two months. The local Financial Secretary of the Union shall be provided with a list of those employees for whom a double deduction has been made.

6. The Union will be notified of the reason for non-transmission of dues in case of interplant transfer, layoff, discharge, resignation, leave of absence, sick leave, retirement, or insufficient earnings.

7. Unless the Company is otherwise notified, the only Union membership dues to be deducted for payment to the Union from the pay of the employee who has furnished an authorization shall be the monthly Union dues. The Company will deduct initiation fees when notified by notation on the lists referred to in Paragraph 3 of this subsection, and assessments as designated by the local Financial Secretary. With respect to check-off authorization cards submitted directly to the Company, the Company will deduct initiation fees unless specifically

## **ARTICLE II (Cont'd.)**

requested not to do so by the local Financial Secretary of the Union after such check-off authorization cards have become effective. The local Financial Secretary of the Union shall be provided with a list of those employees for whom initiation fees have been deducted under this Paragraph.

8. The provisions of this Subsection B shall be effective in accordance and consistent with applicable provisions of federal law.

9. During the life of this Agreement, the Company agrees to deduct from the pay of each employee voluntary contributions to UAW V-CAP, provided that each such employee executes or has executed the following "Authorization for Assignment and Checkoff of Contributions to UAW V-CAP" form; provided further, however, that the Company will continue to deduct the voluntary contributions to UAW V-CAP from the pay of each employee for whom it has on file an unrevoked "Authorization for Assignment and Checkoff of Contributions to UAW V-CAP" form.

Deductions shall be made only in accordance with the provisions of and in the amounts designated in said "Authorization for Assignment and Checkoff of Contributions to UAW V-CAP" form, together with the provisions of this section of the Agreement.

A properly executed copy of the "Authorization for Assignment and Checkoff of Contributions to UAW V-CAP" form for each employee for whom voluntary contributions to UAW V-CAP are to be deducted hereunder, shall be delivered to the Company before any such deductions are made, except as to employees whose authorizations have heretofore been delivered. Deductions shall be made thereafter, only under the applicable "Authorization for Assignment and Checkoff of Contributions to UAW V-CAP" forms which have been properly executed and are in effect.

Deductions shall be made, pursuant to the forms received by the Company, from the employee's first union dues period in the first month following receipt

of the checkoff authorization card and shall continue until the checkoff authorization is revoked in writing. The Company agrees to remit said deductions promptly to UAW V-CAP, in care of:

Bank One, Dept. 78232  
Article 23 Voluntary Exchange  
PO Box 78000  
Detroit, MI 48278-0232

The Company further agrees to furnish UAW V-CAP with the name, address, Social Security number, and date of last authorization of those employees for whom deductions have been made. The Company further agrees to furnish UAW V-CAP with a monthly and year-to-date report of each such employee's deductions. This information shall be furnished along with each remittance on a floppy disk or magnetic tape, in ACSII or some other common format conveniently available to the Company's accounting systems.

C. The following provisions to the extent that they are lawful shall apply:

Each employee covered by this Agreement who fails to acquire or maintain membership in the Union, shall be required as a condition of employment, beginning on the 31st day following the beginning of such employment or the date of signing of this amended Agreement, whichever is later, to pay to the Union each month a service charge as a contribution toward the administration of this Agreement and the representation of such employee. The service charge for the first month shall be in an amount equal to the Union's regular and usual initiation fee and monthly dues, and for each month thereafter in an amount equal to the regular and usual monthly dues.

#### **D. Indemnity Clause**

The Union shall indemnify and save the Company harmless against any and all claims, demands, suits, or other forms of liability that shall arise out of or by reason of action taken or not taken by the Company for the purpose of complying with any of the provisions of this Article, or in reliance on any list, notice or assignment furnished under any of such provisions.

## **ARTICLE III — CONTINUATION OF WAGE RATES**

The hourly wage rates for the jobs covered by this Agreement, as established by the Wage Agreement dated August 14, 1967, and subsequently changed in accordance with contractual procedures or by agreement of the parties will not be changed for the period of this Agreement, except by mutual agreement, or except as changes are made under Article XXIV (New and Changed Job Classifications) of this Agreement.

A table of Standard Hourly Rates to be effective during the term of the 2001 Labor Agreement is attached hereto as Appendix I.

## **ARTICLE IV — GRIEVANCE PROCEDURE**

### **Section 5. Scope**

The grievance procedure may be applied to any differences, disputes, or complaints regarding the interpretation or application of this Agreement, or regarding matters of wages, hours, and working conditions excluded from or not covered by this Agreement.

Except as provided in Article XXIV, Section 43 and 44, a grievance shall be initiated within five (5) days (excluding Saturdays, Sundays and holidays) of the time at which the grievant became aware, or should have become aware, of the facts on which the grievance is based, unless precluded from filing a grievance by some determining circumstance beyond his/her control. In such case the five (5) day limitation shall become effective when such determining circumstances cease.

### **Section 6. Procedure**

If an employee has a grievance, either the employee or his/her proper Union representative or representatives may take up the matter with the proper representatives of the Company in the following steps:

1. With the immediate supervisor.
2. With the department head or his/her representative.

All requests for hearing with such local representatives of the Company shall be granted as soon as possible and

in no event later than the following (unless further time is mutually agreed upon):

First Step, two (2) days, on which the grieving employee works after the grievance is first presented.

Second Step, three (3) days, on which the grieving employee works after appeal of the grievance from first step.

Grievances shall be answered by local representatives of the Company as follows (unless further time is mutually agreed upon):

First Step, within three (3) days.

Second Step, within fourteen (14) days.

Third Step, within sixty (60) days after the final hearing at this step.

Notwithstanding the above, grievances for which a request for hearing has not been made within (30) days after appeal to Step 2 shall not be processed further except by mutual agreement.

The local Union and the local plant Management may negotiate such modifications of or additions to Steps 1 or 2 as may be suitable to the local situation.

3. Should such highest ranking local representative of the Company and the Union fail to agree and the local Union wishes further review, the grievance and the written answer of the highest ranking local representative of the Company will be provided by the local Union to the International Vice President and Director of the Alcoa Department-UAW of the International Union.

Grievances so appealed shall be reviewed by the Company's representative for the purpose of determining the need for a further hearing. If it is determined that a further hearing is not necessary, the International Union will be so advised in which case the International Union may appeal the grievance directly to arbitration, or in the event the issue involved in the grievance is not arbitrable, pursue the five-day procedure as provided in Section 15 of the Labor Agreement. If it is determined that a further

## **Section 6 (Cont'd.)**

hearing is necessary, a mutually satisfactory date shall be arranged as promptly as possible for a meeting between a representative of the International Union and the Company. In any event the Company shall within ninety (90) days after receipt of the appeal to the third step, complete its review and either give notification that a further hearing is not necessary or contact the International Union for the purpose of setting a hearing date.

All grievances appealed beyond the first step shall be reduced to writing by the Union and answers thereto by the Company beyond the first step shall be in writing.

The time requirements for hearings and answers provided herein are for the purpose of preventing unjustified or unreasonable delays in grievance processing. However, the parties recognize that circumstances may make it impossible to properly hear and fully investigate and decide each grievance within the provided time limits. The parties, therefore, agree that the times for hearings and answers at the various grievance steps may be extended by mutual agreement on a case by case basis. The Company agrees to notify the appropriate Union representative when it believes such a time extension is required, and the Union agrees that it will not unreasonably withhold agreement to such requested extensions.

## **Section 7. Limitations**

No wage claims shall be allowed retroactively prior to the date the grievance thereon is presented unless it was not reasonably possible for the claimant to know he/she had grounds for such claim and in such case shall not be valid for any period greater than thirty (30) days prior to the date the grievance is presented.

If a grievance is not appealed within seven (7) working days from the date a written reply is received at any step, back pay will not accumulate for the time elapsing between the end of such period and the time the appeal is made.

The appeal of grievances to Step 2 must be made within thirty (30) days of the answer at the previous step.

Grievances appealed to the 3rd step of the grievance procedure must be made within 60 days of the answer at the 2nd step. Grievances certified to arbitration must be so appealed within 90 days of the answer at the 3rd step of the grievance procedure, and must be heard in arbitration within a period of 365 calendar days following the date of certification. However, the period of 365 calendar days may be extended by mutual agreement between the International Vice President and Director, Alcoa Department-UAW, and the General Manager of Industrial Relations of the Company or their designated representatives. Grievances appealed after the expiration of the foregoing time periods will not be processed further except by mutual agreement.

A retroactive date may or may not be fixed within these limitations.

Time limitations, as specified in this Article IV, shall be calendar days exclusive of Saturdays, Sundays and holidays specified in Article IX, Section 23.

### **Section 8. Access to Plants**

An International Representative of the Union shall be granted access to the plants of the Company for the purpose of investigating grievances which are being considered by the Union and the Company at the third step of the grievance procedure, provided such investigations do not conflict with any government regulations and are in accordance with general rules agreed upon by the Company and the Union.

## **ARTICLE V — ARBITRATION**

### **Section 9. Scope**

Not all grievances are subject to arbitration. The scope of arbitration and the jurisdiction of the Board of Arbitration are defined in Section 13.

Grievances may be submitted to arbitration by either party after the grievance procedure has been exhausted subject to the following principles and procedure.

At least forty-five (45) days prior to any scheduled arbitration hearing the Union will endeavor to supply the



## **Section 9 (Cont'd.)**

Company with a written list of grievances to be heard at such hearing. The parties shall confer regarding the sequence of grievances to be heard at such hearings.

## **Section 10. Arbitration Board**

**A.** A Board of Arbitration is hereby established for the plant located at Cleveland, Ohio, consisting of one representative of the Union, one representative of the Company, and a third wholly disinterested party, called the Umpire, to be selected by the parties' representatives from time to time as may be agreed.

**B.** The Board, as above described and constituted, shall assume the functions, duties, powers, and jurisdiction as otherwise described in this Article. Grievances submitted to the Board shall be decided by majority vote of the members of the Board and awards shall be issued under the sole signature of the Umpire. Decisions and awards of the Board shall be final and binding on the parties.

## **Section 11. Duties of the Arbitration Board**

It shall be the duty of the Board of Arbitration to hear disputes on subjects within its jurisdiction certified to it by the Union or the Company after the grievance procedure of the Agreement has been exhausted. Such hearings shall be held in the geographic area of the plant involved unless otherwise agreed to by the Union and the Company.

## **Section 12. Finality of Awards**

The decisions and awards of the Board of Arbitration shall be final and binding upon the parties.

## **Section 13. Jurisdiction**

**A.** The Board of Arbitration shall regard the provisions of this Agreement and the Local Agreement Supplements as the basic principles and fundamental law governing the relationship of the parties. The Board's function is to interpret the provisions of the Agreement and to decide

cases of alleged violation of such provisions. The Board shall not supplement, enlarge, diminish, or alter the scope or meaning of the Agreement as it exists from time to time, or any other provisions therein, nor entertain jurisdiction of any subject matter not covered thereby (except to the extent necessary to determine its jurisdiction). Without limiting the foregoing, the subjects of wages (including incentives) and production standards are excluded from arbitration except that wage rates are arbitrable for new or changed job classifications under the New and Changed Job Classifications Article of this Agreement and except that questions of compliance with Article III (Continuation of Wage Rates) are arbitrable.

**B.** Whenever the Board may determine that the subject of a dispute is, or a decision or award thereon would be, beyond its jurisdiction, or would contravene this Section 13, it shall dispose of the case by reducing such determination to writing and refer the dispute to the parties.

**C.** The Board shall not take jurisdiction of any dispute or grievance arising under any prior agreements.

#### **Section 14. Costs**

The compensation and expenses of the Umpire shall be borne equally by the parties.

#### **Section 15. Agreement Against Strikes and Lockouts**

**A.** As to any dispute subject to arbitration, the Union agrees that it will not cause nor will its members take part in any strike or work stoppage, and the Company agrees that it will not cause any lockout.

**B.** As to any dispute not subject to arbitration, no strike, work stoppage or lockout will be cause or sanctioned until negotiations have continued over a period of at least five (5) days at the final step of the grievance procedure described in Article IV (Grievance Procedure), and not even then shall a strike occur unless sanctioned by the International Union, UAW. Thereafter any strike which occurs under such circumstances shall not be deemed to be a violation of this Agreement, which shall continue to remain in full force notwithstanding such strike.

## **Section 15 (Cont'd.)**

**C.** During the life of this Agreement the Union will not cause nor will its members take part in any slowdown or similar interference with production.

**D.** The Company has the right to discipline or discharge anyone guilty of violating the provisions of this Section, but the Union, its agents or officers will not be liable for damages in breach of contract in the event of strikes or work stoppages which the Union has not authorized and as to which the Union has used all reasonable efforts to prevent and terminate, or in the event of an authorized strike or work stoppage which is not prohibited under this Agreement. In the event of an appeal to the Board of Arbitration of a grievance involving action taken under this Paragraph, the Board shall have the right, in its discretion, to affirm, reverse, or modify the disciplinary penalty.

## **ARTICLE VI — DISCIPLINARY ACTION**

**A.** No dismissal, discharge or disciplinary layoff in excess of five (5) days shall be imposed until a five (5) day suspension shall have elapsed. Written notice of such disciplinary action and the reason therefore will be sent promptly to the local Union, and the departmental steward will be advised of such action if he/she is available. Any grievance arising out of such disciplinary action shall be disposed of during such five (5) days' suspension period insofar as possible.

An employee will receive a copy of any disciplinary warning or other disciplinary action entered on his/her personnel record.

**In the case of matters involving non-attendance discipline, neither the Company nor the Union will take into account items on an employee's personnel record which occurred more than three (3) years previously.**

**In the case of matters involving attendance discipline, such discipline will remain on an employee's personnel record for a total of three (3) years at which time the discipline will be removed from the**

**employee's record and any other attendance discipline remaining on his/her record will roll back one (1) level.**

**B.** Where a suspension has been imposed, the employee shall, upon request, have a reasonable opportunity to consult with his/her departmental steward or if such departmental steward is not available, any other authorized Union representative who is available within the plant in which the employee works before the employee leaves the plant, except in cases of intoxication, fights or any disturbance. Such consultation shall not be a step in the grievance procedure.

**C.** If it is determined that the dismissal, discharge, or disciplinary layoff was not for proper cause, restitution of pay for time lost may be made within the terms of the grievance procedure.

## **ARTICLE VII — LEAVE OF ABSENCE**

### **Section 16. Employees**

A leave of absence without pay or an extension thereof will be granted an employee upon request for reasonable cause when the requirements of the plants permit under the following conditions:

**A.** An employee absent on leave or an extension thereof shall be considered as having quit if he/she engages in other employment without the consent of the Company and the Union.

**B.** A leave of absence or an extension thereof shall be for a specified period of time. The Union will be notified in writing of any leave of absence and the reason therefore granted for a period of thirty (30) days or more or any extension thereof. Notwithstanding any provisions of Section 27, an employee who overstays his/her leave of absence without first notifying his/her plant Management and securing permission for the extension, unless such notification proves to be impractical, may be subject to disciplinary action.

## **Section 16 (Cont'd.)**

**C.** During any such leave of absence or an extension thereof, the employee's company seniority shall accumulate but his/her departmental seniority shall not accumulate beyond the limitations prescribed in this Agreement.

**D.** An employee absent on an approved Family Medical Leave is permitted but not required to substitute vacation or personal days for unpaid Family Medical Leave.

## **Section 17. Union Officials**

Leaves of absence shall be granted to employees for the purpose of holding office in the International Union as well as in the local Union. Such a leave of absence shall be for the period of the term of office but not to exceed two years with the privilege of renewal. Upon termination of such leave of absence, the employee will be re-employed in the department in the plant in which he/she worked and in the classification to which the employee's seniority entitles him/her, if such work is available. If such work is not available, the returning employee shall have rights in accordance with the reduction of forces provisions of this Agreement. Any employee who was duly elected or selected by the Union to an office of the International Union or local Union prior to August 1, 1962, and was on a leave of absence or renewal thereof without pay as of August 1, 1962, shall not have his/her company seniority broken and the employee's departmental seniority shall accumulate from August 1, 1962, for the remaining period of his/her leave or renewal thereof in accordance with Article XVI, Paragraph B, Departmental Seniority, as though he/she was on layoff from the bargaining unit.

Any employee who, after August 1, 1962, is or was duly elected or selected by the Union to an office of the International Union or local Union and is or was granted a leave of absence or renewal thereof without pay shall accumulate company seniority and his/her departmental seniority shall accumulate in accordance with Article XVI, Paragraph B, Departmental Seniority, as though he/she were on layoff from the bargaining unit.

## **ARTICLE VIII — ALLOWED TIME**

### **Section 18. Call-In Pay**

An employee called to work on a nonscheduled day or shift shall receive not less than eight (8) hours' pay at his/her regular hourly rate.

### **Section 19. Incomplete Day's Work**

**A.** An employee permitted to come to work at the beginning of his/her scheduled shift without having been reasonably notified that there will be no work for him/her shall receive not less than eight (8) hours' pay at the employee's regular hourly rate.

**B.** An employee permitted to come to work at the beginning of his/her scheduled shift without having been reasonably notified that there will be no work for him/her shall receive not less than the employee's regularly scheduled hours of work (not to exceed eight [8]), at his/her regular hourly rate if the employee is put to work except in cases resulting from conditions beyond the control of the Company, in which cases Paragraph A will apply.

**C.** The Company may offer such an employee work other than in his/her own classification; if the employee refuses such work, he/she thereby forfeits his/her right to such eight (8), or scheduled, hours' pay, provided the work offered is within the reasonable capacity of the individual to perform.

**D.** This Article does not apply in cases resulting from a labor dispute.

## **ARTICLE IX — HOURS OF WORK, OVERTIME AND PREMIUM PAY**

### **Section 20. Hours of Work**

The normal work day shall be eight (8) hours and the normal workweek shall be forty (40) hours, being the normal time worked at straight time rates. Nothing in this

## **Section 20 (Cont'd.)**

Section is a guarantee of work or any number of hours of work, or a limitation on scheduling the work.

## **Section 21. Daily Overtime**

Time and one-half shall be paid for time worked in excess of eight (8) hours in any one day.

## **Section 22. Sixth or Seventh Consecutive Day and Sunday Work**

**A.** Time and one-half shall be paid for time worked by an employee on the sixth consecutive day worked in his/her regularly scheduled work week.

**B.** Double time shall be paid for time worked by an employee on the seventh consecutive day worked in his/her regularly scheduled work week.

**C.** For the purpose of computing consecutive days worked, any holiday listed in Section 23 shall be considered a day worked whether or not work is actually performed. Further, any day for which an employee receives bereavement pay or jury and witness pay as provided for in Articles XXVI or XX shall be considered a day worked whether or not work is actually performed.

**D.** For the purpose of computing consecutive days worked, a day on which an employee qualifies for Allowed Time under Article VIII, or works two (2) hours or more, and does not leave the plant before the end of his/her shift, except for a substantiated justifiable reason, shall be considered as a day worked. The requirement to work two (2) hours or more shall not apply in cases of bona fide personal illness. Misrepresentation of the above reasons for leaving the plant may be the cause for disciplinary action.

**E.** Time and one-half shall be paid for time worked on Sundays. Such premium based on the hourly wage rate shall be included in any Allowed Time (Article VIII) paid on Sundays when no work is available.

## **Section 23. Holiday Pay**

**A.** The following days shall be recognized as holidays for the purposes of this Agreement: New Year's Day, Washington's Birthday (or such other day as may be locally agreed to), Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving, the day after Thanksgiving, the day before Christmas Day, and Christmas Day. When any of these holidays fall on a Sunday, the following day, Monday, will be recognized as the holiday. If Christmas falls on Monday, the following Tuesday shall be recognized as the "day before Christmas" holiday.

**B.** Employees shall be paid for the holidays providing they meet all of the following eligibility requirements:

**1.** The employee has thirty (30) days' seniority as of the date of the holiday;

**2. (a)** The employee works his/her last scheduled day before and following the holiday[s1]; (except that if either the scheduled day before the holiday or the scheduled day after the holiday falls in a different workweek than the holiday, the employee must work on one (1) such scheduled day), or is on a vacation scheduled under the Vacation Plan (Article X, Vacation) or receives bereavement pay on the day before or the day after the holiday, or both, or is on a layoff because he/she is not eligible for a vacation at the time of a vacation shutdown during the payroll week during which the holiday occurs, or performs jury service, or is a witness in a court of law, as required in Article XX, on each of his/her scheduled days in such week, or

**(b)** The employee is absent due to personal illness or accident and is not eligible for sickness and accident benefits for such week because of the waiting period, provided he/she is eligible for and receives sickness and accident benefits for such illness or accident for the following week.

**C.** An employee who is scheduled to work on a holiday and is absent for any reason except sickness is not eligible for holiday pay.



### **Section 23 (Cont'd.)**

**D.** The holiday pay shall be at the employee's regular hourly rate for eight (8) hours. Overtime and shift premiums are excluded.

**E.** Double time and one-half only shall be paid for work performed on the above-named holidays.

**F.** When a holiday falls on Sunday and is observed on the following Monday, the above provisions will apply.

### **Section 24. Weekly Overtime**

Time and one-half shall be paid for time worked in excess of forty (40) hours in any payroll week (or established work week); however, time worked in excess of eight (8) hours in any week day and such time worked on Sundays, or on the sixth or seventh consecutive day worked, as may be subjected to overtime shall be excluded when determining weekly overtime in excess of forty (40) hours.

### **Section 25. General Rules**

**A.** If an employee is required to work over eight (8) hours per day or on any day which is not part of his/her regular schedule, the employee shall not be required to lose time or layoff from his/her regular scheduled days in that payroll week, provided there is work for which he/she would be regularly scheduled.

**B.** The Company will distribute such overtime work as is necessary as equally as possible between employees within the classification by area affected by this overtime work.

**C.** Payment of overtime or premium rates shall not be duplicated for the same hours worked, but the higher of the applicable rates shall be used. Hours compensated for at overtime or premium rates shall not be counted further for any purpose in determining overtime or premium pay liability under the same or any other provisions. Except as otherwise provided, hours paid for but not worked shall not be counted in determining overtime or premium pay liability.

## **Section 26. Shift and Schedule Premiums**

Shift premium rates appropriate to the job grade paid shall be paid for work performed on the second or afternoon shift and for work performed on the third or night shift. A table of shift premium rates by job grade to be effective during the term of the **2001** Labor Agreement is attached hereto as Appendix V.

**A.** The shift differential shall be included in computing overtime compensation.

**B.** The shift differential shall be included in Allowed Time paid when no work is available.

**C.** Time worked beyond an employee's regular first or day shift hours for four (4) hours or more will result in payment of the afternoon shift premium for all hours worked during the second or afternoon shift.

**D.** Time worked beyond an employee's regular second or afternoon shift hours for four (4) hours or more will result in payment of the night shift premium for all hours worked during the third or night shift.

**E.** Time worked beyond an employee's regular third or night shift hours shall result in continued payment of the night shift premium for all hours worked during the first or day shift.

**F.** When an employee's regular work schedule over its normal cycle provides for other than consecutive days (up to and including five [5] days), Monday through Friday, except as he/she may be scheduled for or work additional time on what would normally be a sixth or seventh day, the employee shall be entitled to a schedule premium of thirty (30) cents per hour for each hour in the work week, except as provided for in the following Paragraph:

**1.** If the schedule cycle of such employee includes work weeks of Monday through Friday in each of half or more of the work weeks of the schedule cycle, the schedule premium shall not be payable for the Monday through Friday work weeks but shall be payable for the other work weeks of the schedule cycle.

## **Section 26 (Cont'd.)**

2. The schedule premium referred to in this Section 26 shall be considered an "add-on" and shall not be deemed part of the employee's Standard Hourly Rate. Such premium shall be paid only for hours worked and shall not be included in the base for calculation of any premium pay, benefit or other pay additive except overtime and Incomplete Day's Work in accordance with Article VIII. This provision supersedes any other contract provision relating to the calculation of premium pay, benefit or pay additive except overtime and Incomplete Day's Work.

## **ARTICLE X — VACATIONS**

The following regulations shall govern the Vacation Plan for Hourly Rated Employees.

### **A. Eligibility**

1. An employee shall be entitled to a vacation with pay during a calendar year if, at December 31 of the preceding year or at any time while he/she is working between January 1 and November 30, inclusive, of such calendar year, he/she has completed one or more years of accumulated departmental seniority and has either (a) worked 1000 or more hours in the immediately preceding 365 days or (b) worked in at least 60% of the preceding 52 weeks, provided during such period the scheduled work weeks have been reduced below five (5) days per week for more than twenty-six (26) weeks. For the purposes of determining whether 1000 or more hours have been worked, time lost during such 365 days due to an injury arising out of company employment, or due to Jury or Witness Duty (Article XX), or due to absence from work while on a previous year's vacation or due to Bereavement Pay (Article XXVI) shall be added to the actual hours the employee worked at the rate of eight (8) hours per day but no more than forty (40) hours per week.

An employee otherwise eligible, who on November 30 lacks 31 days or less of the required accumulated departmental seniority will be deemed to have satisfied the seniority requirements for eligibility and for length of vacation.

2. An employee, who in any calendar year obtains a leave of absence for the purpose of entering the Armed

Forces, and who provides proof of having entered the Armed Forces, in such year, will be credited with hours worked at the rate of eight (8) hours per day but not more than forty (40) hours per week during such leave up to the date of having entered the Armed Forces, for the purpose of determining whether 1000 hours have been worked during the immediately preceding 365 days, and will be credited with accumulated departmental seniority for the balance of such year for the purpose of satisfying the seniority requirements for eligibility and length of vacation for that year.

An employee who, after being honorably discharged from the Armed Forces, is reinstated pursuant to the Company's Military Service Regulations, shall in the year of his/her reinstatement to active employment without regard to the hours or weeks worked requirement be entitled to a regular vacation.

3. Any employee otherwise entitled to a vacation pursuant to this Agreement in the calendar year in which he/she retires under the terms of the Pension Agreement between the Company and the Union, which makes him/her eligible for a special retirement payment, but who has not taken such vacation prior to the date of such retirement, shall not be required to take a vacation in that calendar year and shall not be entitled to vacation pay for that calendar year or in any subsequent year.

## **B. Length of Vacation**

An eligible employee who has attained the years of accumulated departmental seniority indicated in the following table in any calendar year during the continuation of this Agreement shall receive a vacation (except as otherwise provided) corresponding to such years of accumulated departmental seniority as shown in the following table:

<b>Accumulated Departmental Seniority</b>	<b>Weeks of Vacation</b>
1 year but less than 3 years	1 week
3 years but less than 10 years	2 weeks
10 years but less than 17 years	3 weeks
17 years but less than 25 years	4 weeks
25 years or more	5 weeks

## **ARTICLE X (Cont'd.)**

The vacation taken shall consist of consecutive days and shall include Sundays and holidays; however, vacations of two, three, four, or five weeks may consist of separate periods of one week each.

### **C. Return from Vacation**

Notwithstanding any provisions of Section 27, an employee who overstays his/her vacation leave without first notifying his/her plant Management and securing permission for the extension, unless such notification proves to be impractical, may be subject to disciplinary action.

### **D. Vacation Scheduling**

1. The vacation period shall be from January 1 to December 31, inclusive.

2. Time lost by an employee for a period of at least an entire payroll week during the vacation period due to the necessity of reducing the working forces or due to bona fide sickness or injury or due to leave of absence may be applied to any vacation time to which such employee is entitled if the employee so requests.

3. It is the intent and purpose of the Vacation Plan that all eligible employees shall receive benefit of a vacation from work. However, the employee who is required to work instead of taking time off for vacation shall be entitled to vacation pay in addition to his/her regular pay provided he/she has not had time lost as described applied to all vacation time to which he/she is entitled.

4. In light of the amount of vacation provided by this Article, the local Union and the local Management may meet as necessary to review vacation scheduling procedures for the purpose of arriving at mutually satisfactory scheduling arrangements.

5. If no local agreement exists at a plant concerning vacation scheduling procedures, the following provision shall apply:

The employee shall take his/her vacation as scheduled by the Management but with consideration being given to

the employee's wishes as to the time his/her vacation is to be scheduled.

## **E. Reports**

From time to time during the term of this Article, the Company shall furnish the Union on forms and at times to be agreed upon, with such information as may be reasonably required for the purpose of enabling it to be properly informed concerning the operation of this Article.

## **F. Vacation Pay**

1. The vacation pay for a vacation of one week shall be the employee's average hours worked per week (not less than 40 hours and not more than 48 hours) multiplied by the employee's average earnings per hour (exclusive of overtime earnings). The vacation pay for two, three, etc., weeks shall be twice, three times, etc., that amount, respectively. The employee's average earnings per hour, as well as the employee's average hours worked per week are averaged over the last payroll quarter which ended 28 days or more prior to the date on which the vacation period begins or the date the vacation is considered as starting. Excluded from such period will be any week in which a paid holiday is observed, or any week during which the employee receives Jury or Witness Pay, or any week during which he/she was on a paid vacation.

Vacation pay computed on the basis of a calculation period prior to a general wage increase for a vacation, or portion thereof, scheduled after such wage increase in such year shall be adjusted for such increase.

A week shall be deemed to fall in the period in which it commences.

2. The vacation pay will be paid as follows:

(a) Vacation pay will be paid on the paydays for the period of the employee's vacation. However, an employee may receive vacation pay in a lump sum for vacation time off provided such request is made in writing to the Company at least 14 days prior to the date he/she wishes each lump sum; however, such lump sum shall not be paid prior to the last day worked before his/her vacation is scheduled to start.

## ARTICLE X (Cont'd.)

(b) For the employee who requests that regular vacation be applied because of time lost or who works instead of taking time off, as described under D-2 and D-3, the vacation pay shall be paid him/her on the first regular pay day occurring not less than ten days following the date the employee makes such request.

(c) In the event of death of an employee who was eligible for a vacation, the entire amount of vacation pay to which he/she would have been entitled shall be paid to his/her proper legal representative.

G. In the event of a war or other national emergency, or federal legislation designed to reduce the normal work week below 40 hours, either party may notify the other of a desire to negotiate with respect to an appropriate modification of this Plan or its termination. In the event of failure to agree within 120 days from such notice, if given as a result of the above-described type of federal legislation, the Plan shall remain in effect subject to the termination provision of the Agreement, but the parties shall be free to strike or lockout in support of their positions with respect to such matters (and no other) notwithstanding the provisions of any other agreement between the parties.

## ARTICLE XI — SUPERVISORS

Supervisors and **Temporary Assigned Supervisors** shall act in a supervisory capacity and shall not perform work so as to replace regular workers or operators on the job. Superintendents and other supervisors, **including temporary assigned supervisors** however, may perform such work when necessary to instruct other employees and may perform experimental, development, and other research work. This Article does not apply to lead persons, gang leaders, and similar squad leaders who are within the bargaining unit.

## ARTICLE XII — BULLETIN BOARDS

The Company will provide adequate bulletin boards in the principal departments of, or at other suitable locations in each plant, and will post exclusively thereon

notices (not larger than legal caption paper) of Union meetings and Union activities as may be submitted by the Union for such. All such notices shall be countersigned by an officer of the local Union.

### **ARTICLE XIII — MILITARY SERVICE**

**A.** The Company agrees to comply with all applicable federal laws relating to the reemployment rights of veterans.

**B.** An employee entitled to reinstatement under this Article who applies for reemployment and who desires to pursue a course of study in accordance with the federal law granting him/her such opportunity before or after returning to his/her employment with the Company shall be granted a leave of absence for such purpose.

### **ARTICLE XIV — DISABLED OR HANDICAPPED EMPLOYEES**

The local Union and the local Management may, by mutual agreement, provide rules whereby disabled or handicapped employees may be assigned to jobs which they are able to perform without regard to the provisions of Article XVI, Seniority, or Article XVII, Work and Job Assignment.

### **ARTICLE XV — ANTI-DISCRIMINATION**

There shall be no discrimination at the time of employment against any prospective employee because of membership or nonmembership in any labor organization, and there shall be no discrimination against any employee by supervisors, superintendents, or any other person in the employ of the Company because of membership or nonmembership in any labor organization.

In accordance with the policy established and maintained since the inception of their collective bargaining relationship, the Company and the Union agree that the provisions of this Agreement shall apply to all employees covered by the Agreement



## **ARTICLE XV (Cont'd.)**

without discrimination, and in carrying out their respective obligations under this Agreement neither will discriminate against any employee on account of race, color, national origin, age, sex, religion, Vietnam-era veteran, or against any disabled employee.

Generic terminology - as used in this Agreement, the term "he" or "his" and the suffixes "man" or "men" shall refer to the female as well as the male.

The Company and the Union shall jointly establish a National committee to review all aspects of our bargaining relationship to seek out and end any and all discriminatory practices.

Any lost time incurred by the members of this committee while meeting as a group shall be paid for by the Company.

## **ARTICLE XVI — SENIORITY**

### **A. Company Seniority — Definition**

Company seniority of an employee is measured by years, months, and days from his/her last date of hire.

### **B. Departmental Seniority — Definition**

Departmental seniority of an employee is measured by years, months, and days from his/her first employment in his/her department, less time lost due to:

(a) Bona fide sickness or accident, arising from causes outside of company employment, in excess of ninety (90) days per calendar year.

(b) Leave of absence in excess of twenty-one (21) days per calendar year, except that time lost during any leave of absence granted to an employee in order to permit him/her as a Union representative to negotiate with the Company shall not be deducted.

(c) Layoffs from his/her regular department in excess of sixty (60) days due to lack of work.

(d) A disciplinary suspension, when the suspension exceeds a payroll week at any time.

(e) Employment in other departments except as provided for in Section 34 (Transfers).

Except that in the case of an employee with five (5) years or more departmental seniority at time of layoff in the department from which he/she is absent the times specified in (a), (b), and (c) above shall be a maximum of one year for any continuous absence even though the absence extends beyond one year.

There shall be no pyramiding of departmental seniority in the determination of accumulated departmental seniority.

If, due to major changes or improvements, it should become necessary to combine two or more departments, or to create a new department, the seniority status of the employees thus affected will be a matter of discussion and negotiation with the Union.

### **C. Accumulated Departmental Seniority — Definition**

The accumulated departmental seniority of an employee is measured by years, months, and days and is the sum total of departmental seniority accumulated by him/her in all departments since his/her last date of hire, subject to the pertinent provisions of this Agreement.

### **Section 27. Termination of Seniority**

All seniority of an employee shall terminate when he/she:

A. Dies, or quits for any reason.

B. Is dismissed or discharged for sufficient and reasonable cause.

C. Is absent without leave for a period of six (6) days or longer, on which he/she is scheduled to work; however, a request for a leave of absence made before or after the six (6) days have elapsed will be granted under the terms of Article VII, Section 16, provided that in the case of a request made after the six (6) days, the delay is for reasonable cause.

## **Section 27 (Cont'd.)**

**D.** Fails to report for work as provided for in Section 32 (Notice of Restoration of Forces).

**E.** While unable to work because of a bona fide case of sickness or accident arising from causes outside his/her employment, does not report the same to the Company as the reason for his/her absence before six (6) days have elapsed on which he/she is scheduled to work unless such notification proves to be impractical.

**F.** Does not report for work after an accident or sickness arising out of his/her employment when the company's physician reports him/her fit to work. If the employee's fitness to return to work is disputed and such dispute is sustained in favor of the employee by the proper State Compensation authority, the employee's seniority will be restored.

**G.** When laid off due to a reduction of forces, does not request, in person or by mail direct to the Company or through the Union to the Company by means of a notice signed by the laid off employee, that he/she be given the notice of restoration of forces as provided for in Section 32 (Notice of Restoration of Forces) if at the time of layoff he/she has less than five years' company seniority. Such request must be made during the month of March of each year. Each request must be sent to the Human Resources Department for the Works in which he/she last worked and provide in writing the employee's name and correct permanent address. Such employee at the time of his/her layoff will be given a written notice advising him/her of this clause and will, during each February while he/she is laid off, be mailed a reminder of the need for him/her to make such request during March of that year. Such reminder will be mailed to the laid off employee's last address reported to the Human Resources Department. Non-receipt of a reminder does not relieve the laid off employee of the requirement to make such request. A list of the employees, with addresses, to be sent the reminder shall be given to the local Union prior to mailing.

In addition, the departmental seniority of an employee may be terminated as provided herein in Article XXIX or XXX of the applicable Local Supplement (Restoration of

Forces), Article XVI, Section 32 (Notice of Restoration of Forces), and Article XVI, Section 34 (Transfers).

### **Section 28. Prior Seniority**

An employee's seniority, as accumulated prior to the date of this Agreement, shall not in any way be changed as a result of the seniority provisions of this Agreement, but commencing as of the date of this Agreement additions to seniority shall be determined by the application of the provisions of this Agreement.

### **Section 29. Union Officials**

Top company seniority for the purpose of layoffs and restoration of forces shall be granted to local Union officials at each plant on the following basis.

**A.** Union officers (other than shop stewards), chief shift stewards, and one Union representative for each fifty (50) employees in the bargaining agency of the local Union. Each local Union will provide the Works Management with a certified list of such Union officials. The total number so certified shall not be changed more often than every six (6) months.

**B.** The top company seniority provided in the foregoing shall be applied in the department in which the employee works.

**C.** In any reduction or restoration of forces and realignment of shifts, not more than one Union official in a department or unit who has top seniority may exercise shift preference to remain on the shift for which he/she was elected, subject to any restrictions that may appear in the local shift preference agreement as to distribution of skills or ability to perform the work.

No such seniority shall be exercised unless the Union official is capable of doing a job which is available in his/her department.

### **Section 30. Seniority Lists**

The Company will prepare and have available for inspection, and where practical will post in each depart-

### **Section 30 (Cont'd.)**

ment, a list showing the company and departmental seniority of all employees in that department and will revise such lists at least once every six (6) months. Copies of these seniority lists will be given to the local Union. The Company will furnish the Union a monthly list of all additions and subtractions thereto. The Company will also furnish the local Union with a master seniority list showing the company seniority of each employee at the Works. Such list will be furnished once every six (6) months unless mutually agreed otherwise by the local Union and local Management.

### **Section 31. Notice of Reduction of Forces**

When a reduction of forces or a reduction in hours is necessary, the Company will post the names of the employees to be laid off three (3) days, excluding Sundays and holidays, prior to such reduction unless cancellation of orders, changes in customers' requirements, breakdown, accidents, or other emergency makes such notice impossible. A copy of the posted list of employees to be laid off will be given to the local Union at the time of posting. Any questions or grievance arising from such reduction of forces or hours shall, if possible, be presented within the three (3) day period for any such notice.

### **Section 32. Notice of Restoration of Forces**

**A.** When restoring forces, the Company will give notice of such restoration of forces, either by registered mail or in person or by other adequate means, to the individuals to be recalled and will post in the department the names of the individuals to be recalled as long in advance of such restoration of forces as conditions permit. A copy of the posted list will be given to the local Union at the time of the posting.

**B.** If an employee laid off due to a reduction of forces and not then working in another department does not report for work within seventy-two (72) hours (excluding Saturdays, Sundays and holidays) after such notice is given, unless the employee can show reasonable cause for not having reported within the seventy-two (72) hours

after such notice is given in which case the seventy-two (72) hours shall be increased to ninety-six (96), he/she shall forfeit his/her place in that particular restoration of forces unless sufficient employees have not been hired or recalled to complete such restoration of forces.

C. If an employee fails to report for work as provided above, but does, within a period of ten (10) days after the first notice is given, request the notice of the next restoration of forces, such request shall be granted. The second notice shall be final, and employees who fail to report for work as provided above, upon the second notice, shall lose all seniority. In the absence of written or telegraphic notice, the burden shall be upon the Company, to prove actual notice in case of a dispute.

### **Section 33. Exceptions to the Application of Seniority**

A. The Company may hire, retain, or transfer an employee or recall a laid off employee regardless of his/her seniority when and if the services of such employee are essential to the efficient operation of the plant because of his/her special training and ability, provided he/she is used on a job making use of such special training or ability, and provided such job cannot be properly performed except by resort to this provision. When the Company desires to make use of this provision, the matter shall first be discussed with the Union.

B. In layoffs or demotions in the course of a reduction of forces, an employee may be retained in or recalled to a job classification regardless of his/her seniority when there is no other available employee with greater seniority who is presently qualified to perform the job classification under the conditions existing after the reduction of forces.

C. The terms of the grievance procedure apply to disputes arising under this provision.

### **Section 34. Transfers**

Except as otherwise provided in this Agreement, an employee transferred to another department shall lose his/her departmental seniority in his/her former regular

### **Section 34 (Cont'd.)**

department and begin to accumulate departmental seniority in his/her new department.

An employee temporarily transferred or loaned to any department other than his/her regular department at the request of such other department, shall if mutually agreed between the local Management and the local Union, continue to accumulate seniority in his/her regular department. When such employee is requested to return to his/her former regular department, he/she may, if mutually agreed between the local Management and the local Union, refuse such request without any penalty other than the loss of the departmental seniority in his/her former regular department.

While any employees are laid off from any department, no other employee shall be transferred to such other department (except as otherwise provided in this Agreement). However, this Paragraph shall not prohibit daily assignments to other departments under circumstances in which laid off employees would not normally be recalled. Exceptional cases (those beyond five [5] working days) will be discusses with the Union representatives.

**The Company agrees that such temporary assignments will be for valid operating reasons and would not be made arbitrarily or capriciously, or for disciplinary reasons.**

### **Section 35. Seniority on Return to Bargaining Unit**

**A.** An employee moved or transferred to a supervisory position prior to June 1, 1968, and who is subsequently returned to the bargaining unit in his/her regular department shall not forfeit any of his/her seniority in such department.

If such an employee is moved or transferred to a supervisory position in his/her regular department and is subsequently returned to the bargaining unit in such department, he/she shall be deemed to have accumulated departmental seniority for all time worked in such supervisory position in accordance with Paragraph B of

Article XVI, except that notwithstanding the above, such employee upon return to the bargaining unit shall be deemed to be a junior in departmental seniority to every employee to whom he/she was junior in departmental seniority at the time of his/her movement or transfer to a supervisory position.

An employee covered by this Section 35A who is moved or transferred to a supervisory position in a department other than his/her regular one, shall lose his/her departmental seniority in his/her former regular department and begin to accumulate departmental seniority in his/her new department.

**B.** The provisions of Section 35A shall also apply to employees promoted or transferred to supervisory positions between June 1, 1968, and June 30, 1974, except that such employees with less than three (3) years' company seniority at the time of their promotion shall retain, but not accumulate departmental seniority while serving in such supervisory capacity in their regular department.

**C.** An employee moved or transferred to a supervisory position other than on an hourly paid temporary status on or after June 30, 1974, and who is subsequently returned to the bargaining unit shall be returned to the department from which he/she was promoted and placed in the classification held prior to his/her transfer providing his/her seniority entitles him/her to such classification. Such employee shall retain all seniority held by him/her at the time of his/her promotion.

During the same time such a supervisory position is held the employee shall not accumulate the seniority which is used at the location for seniority competitive purposes such as bidding, reduction and restoration of forces, and layoff. The accumulation of seniority for benefit eligibility purposes during such period shall not be interrupted by virtue of his/her status under this Section.

**The scope of the term "supervisory position" as used and applied in Article XVI, Section 35, is limited to those positions involving the supervision of bargaining**



## **Section 35 (Cont'd.)**

**unit employees. However, the local parties may agree that other related positions may also be included.**

## **Section 36. Probationary Employees**

For purposes of good selection, the Company shall have the right to place an employee on trial for their first seventy-five (75) days worked in order to determine whether he/she should be kept as an employee. The Union shall have no right to contest a termination made within the first sixty (60) days worked on this period. In the case of skilled trades journeymen, the probationary period shall be ninety (90) days worked. The Union shall have no right to contest a termination made within this period.

# **ARTICLE XVII — WORK AND JOB ASSIGNMENT**

## **Section 37. New Job Classification or Vacancy in Classification.**

**A.** When, as covered by this Agreement, a new job classification is created, or a vacancy occurs in an existing classification in any department, it shall be posted in that department for three (3) working days so that employees in that department may apply for it. Consideration shall be given to applicants on the basis of departmental seniority, provided the employees have sufficient ability to qualify. Such consideration shall be in the following order:

**First,** to employees who previously bid on the classification and had their names placed in a pool for that particular classification. The pool will remain active for a total of four (4) months from the date of the posted vacancy, even if the Company decides not to fill the vacancy. Employees in the pool will have been selected and ranked based on the procedures described below. An employee may at any time withdraw his/her name from consideration.

**Second,** to employees in the classification next below the one in which the vacancy exists, and so on down, in accordance with existing lines of progression.

**Third**, if the vacancy is not filled from employees in the line of progression, or if there is no existing line of progression covering the classification, then such consideration shall be given to other employees in the department. The local Management and the local Union may agree on a general application as to the order in which bidding rights will be accorded employees in a higher classification in the same line of progression or in a classification horizontally connected within the same line of progression.

**B.** An applicant who qualifies on the basis of departmental seniority shall, if he/she so requests, be given a trial unless it is obvious that he/she doesn't have sufficient ability to fill such new classification or vacancy.

**C.** No such new classification or vacancy shall be permanently filled until any employee with greater departmental seniority than the employee to whom the trial is given (or his/her Union representative) has had an opportunity to have his/her case fully considered, provided such case has been properly presented within five (5) days (excluding Saturdays, Sundays, and holidays) of the time when such new classification or vacancy is temporarily filled. An employee who has been absent on vacation, sick leave, leave of absence, or leave for Union business during the time when any new job or vacancy has been posted in his/her department may upon his/her return from such vacation or leave make application for such new job classification or vacancy provided such application is made within three (3) days of his/her return but in no event longer than twenty-one (21) days after the date of the posting of such new job or vacancy.

**D.** If a new job classification or vacancy in an existing classification is not filled as above from within a department, consideration shall then be given to applicants for transfer from other departments. Such consideration shall be on the basis of company seniority and ability.

**E.** An employee's failure to fill the new classification or vacancy satisfactorily shall not penalize him/her with any loss of seniority and the Union representative will be notified of such failure at the time.

### **Section 38. Rates on Promotions or Demotions**

**A.** When an employee is promoted to a higher rated job classification, he/she will receive the base rate of such higher rated classification.

**B.** When an employee is demoted to a lower rated job classification, he/she will receive the rate of that classification. Demotions occurring in a posted reduction of forces are included.

**C.** Payment of the rate of the classification immediately upon promotion shall not be evidence of qualifications for the job.

### **Section 39. Rates on Temporary Assignments**

**A.** While an employee is temporarily assigned to a higher rated classification, he/she will receive the base rate of such higher rated classification.

**B.** When an employee is temporarily assigned to a lower rated classification, he/she will receive his/her regular hourly rate of pay for the first eight (8) working days or less of such assignment and will receive the rate of the classification for the time beyond eight (8) working days.

## **ARTICLE XVIII — REPORT OF PHYSICAL EXAMINATION**

A copy of the report of physical examination and/or a copy of a report of laboratory findings made by physicians acting for the Company in a nonindustrial case shall be given to the employee's personal physician (medical doctor licensed by the state) upon written request from such physicians accompanied by the employee's written authorization to furnish such report. In any such instance where x-rays, etc., have been taken they shall be made available at the Company's Medical Department for the inspection by the employee's physician.

## **ARTICLE XIX — SAFETY AND HEALTH**

The Company and the Union will continue to cooperate toward the objective of eliminating accident and health hazards.

The Company will continue to make reasonable provisions for the safety and health of its employees at the plants during the hours of their employment.

Protective devices, wearing apparel and other equipment necessary to protect employees from injury shall be provided by the Company in accordance with practices now prevailing in each separate plant or as such practices may be improved from time to time by the Company.

A representative Safety Committee shall be established at each of the plants to be composed of representatives of the Company and representatives of the Union. The Committee shall assist, make recommendations to, and cooperate with, the Safety Department of the plant. The employees representing the Union on such Committee at the plant shall be designated by the Union and the principles of rotation of such representatives shall be maintained. **The number of Union members on the Safety Committee shall be no less than eight (8).**

The Safety Committee shall hold periodic meetings. In the discharge of its function, the Safety Committee shall consider existing practices and rules relating to Safety and Health, formulate suggested changes in existing practices and rules, and recommend adoption of such changes.

If an employee shall believe that there exists an unsafe condition, changed from the normal hazards inherent in the operation, so that the employee is in danger of injury, he/she shall notify his/her supervisor of such danger and of the facts relating thereto. Thereafter, unless there shall be a dispute as to the existence of such unsafe condition, he/she shall have the right, subject to reasonable steps for protecting other employees and the equipment from injury, to be relieved from duty on the job about which he/she has complained and to return to such job when such unsafe conditions shall be remedied. If the existence of such alleged unsafe condition shall be disputed, the designated Union official and the Works Manager or his/her designated represen-

## **ARTICLE XIX (Cont'd.)**

tative shall immediately investigate such alleged unsafe condition and determine whether it exists. If they shall not agree and if the designated Union official is of the opinion that such alleged unsafe condition exists, the employee shall have the right to present a grievance in writing to the Works Manager or his/her designated representative and thereafter to be relieved from duty on the job as stated above. Such grievance shall be presented without delay directly to arbitration under the provisions of Article V of this Agreement, which shall determine whether such employee was justified in leaving the job because of the existence of such an unsafe condition.

Effective **October 11, 2001**, each active employee, other than a probationary employee, will be provided an allowance of **\$60.00** to purchase safety shoes for the employee's wear at the plant. On **October 16, 2003** and **October 20, 2005**, each employee who on those dates has one year or more of accumulated departmental seniority shall receive an allowance of **\$60.00** to purchase safety shoes for the employee's wear at the plant. This benefit is in lieu of and supersedes any local practice or agreement to pay for shoes or metatarsals.

## **ARTICLE XX — JURY AND WITNESS PAY**

An employee who is called for jury service or as a result of being subpoenaed as a witness in a court of law shall be excused from work for the days on which he/she serves and he/she shall receive, for each such day of jury or witness service on which he/she otherwise would have worked, eight (8) times his/her average straight-time hourly earnings. The employee will present proof of such service.

## **ARTICLE XXI — GROUP INSURANCE**

The Company will provide the following coverages: Life, Surviving Spouse, and Weekly Sickness and Accident for active employees and Hospital Expense, Surgical-Medical Expense, Extended Medical Expense, Dental Expense, and Vision Expense for active employees and

eligible dependents. Effective January 1, 1994 the Hospital Expense, Surgical-Medical Expense, and Extended Medical Expense program will be replaced with the Managed Care Medical Program, the Prescription Drug Program, and the Behavioral Health Care Program. **The FlexChoice Program will be effective January 1, 2002 which includes; medical, prescription drug, dental, vision, short term disability, long term disability, life insurance (basic and optional), accidental death and dismemberment (basic and optional) and long term care.** The Company will provide the following coverages for retired employees (and eligible dependents) and surviving spouses of active and retired employees (and eligible dependents) who are receiving a pension under the Pension Agreement:

(1) For persons not eligible for Medicare-Hospital Expense, Surgical-Medical Expense, and Extended Medical Expense program. Effective January 1, 1994 the Hospital Expense, Surgical-Medical Expense, and Extended Medical Expense program will be replaced with the Managed Care Medical Program, the Prescription Drug Program, and the Behavioral Health Care Program. **For pre-Medicare retirees with a retirement date on or after January 1, 2002, the target options under the FlexChoice Program's medical and prescription drug plans will be effective.**

(2) For persons eligible for Medicare-Supplemental Hospital Expense, Supplemental Surgical-Medical Expense, and Supplemental Extended Medical Expense, and Prescription Drug Program. **For Medicare eligible retirees with a retirement date on or after January 1, 2002, participants will be eligible for the Alcoa Medicare Supplemental Plan including the target prescription drug option under the FlexChoice Program and will have the ability to purchase the Alcoa Med Option Program. The cost of the Med Option Program will be entirely paid by the participant. In addition, the basic life insurance coverage and Surviving Spouse Coverage will continue as outlined in the retiree SPD (Summary Plan Description).**

## **ARTICLE XXI (Cont'd.)**

The Company will also provide Life Coverage and Surviving Spouse Coverage for such retired employees.

All of the above benefits will be provided without cost to employees and retirees except as otherwise provided. **Under the FlexChoice Program, the amount of flex credits will be enough to cover the cost of the target options.** Separate booklets describing these benefits are incorporated herein and made a part of this Agreement. **Effective January 1, 2002, the agreed-upon FlexChoice Program Group Insurance benefits plan booklets will become effective. Letters of Understanding will also be effective January 1, 2002, the Medicare Part B premium reimbursement shall be the monthly government charged premium.**

### **General Provisions Applicable to Article XXI**

1. It is agreed that if subsequent governmental legislation provides for the reduction or elimination of the premium for Medicare Part B for any person, the Company shall make a corresponding reduction or elimination to the benefit payment for such Medicare premium for that person and such governmental action shall not require further modification or adjustment in this Article. Medicare Part B premium reimbursement shall be the monthly government charged premium to a maximum of \$46.10 for persons who retire during the term of this Agreement prior to January 1, 2002. For persons who retire during the term of this Agreement on or after January 1, 2002, the Medicare Part B premium reimbursement shall be the monthly government charged premium.

2. It is intended that the provisions for benefits in this Article shall comply with and be in substitution for provisions for similar benefits which are, or shall be, made by any law or laws. Amounts paid by the Company for such similar benefits either as contributions, taxes, or benefits under any law or laws providing non-occupational insurance benefits shall reduce to that extent the amounts the Company shall pay under this Article and appropriate readjustment shall likewise be made in the benefits.

3. Unless otherwise provided in this Article, the parties will meet and agree on a modification of this plan to eliminate duplication of benefits and the disposition of any savings to the Company if subsequent governmental legislation should provide any of the benefits described herein.

4. Upon the request of either the Company or the International Union, the parties will jointly study the health-care program provided by a Health Maintenance Organization Plan (HMO) in **the Ohio area**. A mutual agreement will be sought as to the desirability of providing at no additional cost to the Company an individual choice between an employee's coverage under this Article and similar coverages provided by the Health Maintenance Organization plan under study. The Company and the International Union will make a mutual determination of the costs in such area of the hospital-surgical-medical benefits provided for individuals by this Article and the costs for individuals of participation in such HMO plan. In the event the parties agree to provide such an individual choice, then with respect to employees who choose participation in such HMO plan, the Company will deduct from the pay of each such employee the amount, if any, by which the cost of such employee's participation in such plan exceeds the cost in such area of the Managed Care Medical benefits **or the FlexChoice Program** theretofore provided for such employee by this Article, as above determined, and the Company will pay to such plan the cost of such employee's participation in such plan. The parties agree that they will not unreasonably withhold agreement in reaching such mutual determination.

5. Notwithstanding the provisions in 2 and 3 above, when and if, during the term of this Agreement, any employee covered by this Agreement becomes entitled to apply for or to obtain health care or other medical, dental, vision, or surgical benefits by reason of the enactment by the United States or any state of the United States of a Governmental System of health security or medical service program ("Governmental System") for active employees, the parties shall promptly meet and under-



## **ARTICLE XXI (Cont'd.)**

take to negotiate a modification of the benefits under this Article of the type and character provided or available under such Governmental System in order to achieve or to assure the following results:

(a) No employee covered by this Article shall suffer any reduction in the level of any of the several health-care benefits of this Article.

(b) The Company shall, without cost to the employee, provide a plan of benefits supplementary to those available under such Governmental System to the extent necessary to make each benefit comparable to the corresponding benefit provided under this Article.

(c) When an employee or dependent covered by this Article is required by law to make contributions, whether in the form of direct taxes, personal premiums, levies or otherwise, specifically designated by law toward the cost of benefits under such a Governmental System, the Company, in addition to any contributions required of it by law, shall pay to or on behalf of such employee or dependent any such required contributions to the extent such contributions are for benefits covered by this Article.

(d) The Company will not be required to provide any benefits or make payment for any benefit to the extent that the employee or dependent covered hereby receives or would be able to receive such benefit as a matter of right and without means test of any kind if timely and proper steps had been taken to obtain the benefit or payment for the benefit under such Governmental System.

(e) To preclude any duplicating of benefits to employees or their dependents and to preclude any duplication of costs to the Company including the costs arising from Taxes and contributions of employees paid by the Company.

(f) To negotiate the disposition of any actual savings disregarding any increase or decrease in administrative cost which may accrue to the Company as a result of any such Governmental System.

6. Any problems, complaints, or grievances of any employee arising under or concerning group insurance shall not be subject to and handled under the grievance and arbitration provisions of this Agreement, but shall be handled by the designated representatives of the Company and the Union at the plant. Such representatives shall be certified by the parties to each other at the plant level and notices of such certification shall be sent to the headquarters of the Company and the International Union.

## **ARTICLE XXII — SUPPLEMENTAL UNEMPLOYMENT BENEFITS**

This Supplemental Unemployment Benefits Plan is designed to provide a covered employee who becomes wholly or partially unemployed (a) Weekly Benefits to provide income while he/she is on layoff, and (b) Short Week Benefits for any week in which he/she is partially unemployed, that is, he/she works some, but less than thirty two (32) hours for the Company.

Effective February 1, 1978, a three-tiered program shall be established wherein employees shall be grouped depending upon their years of accumulated departmental seniority. The Tier I group will comprise those employees who have two (2) but less than ten (10) years of accumulated departmental seniority; the Tier II group will comprise those employees who have ten (10) but less than twenty (20) years of accumulated departmental seniority; and the Tier III group will comprise those employees who have twenty (20) or more years of accumulated departmental seniority.

### **A. Weekly Benefits**

1. Weekly Supplemental Unemployment Benefits shall be payable to employees covered by this Agreement who have two or more years' accumulated departmental seniority at the beginning of the layoff. For purposes of this Article, an employee shall be considered as having been laid off in any week in which, because of lack of work,

## **ARTICLE XXII (Cont'd.)**

he/she is not scheduled or assigned to work for the Company.

**2.** A layoff shall not include one occasioned by (a) disciplinary reasons; (b) a strike, slow down, work stoppage, picketing, or other labor dispute involving any employee or group of employees of the Company, at the Company's plant, or involving the Union whether at the Company's plant or elsewhere; or (c) a hostile act of any foreign government.

**3.** To qualify for a weekly supplemental benefit in any week, the laid off employee shall:

**(a)** be eligible for a State unemployment benefit (including any State requirement for application) except:

(i) as the length of layoff may exceed the duration of such State benefits to which he/she is entitled,

(ii) if he/she is compensated or receives a public or private pension payment (other than a pension payment wholly or partially financed by the Company) in an amount which disqualifies him/her for State benefits,

(iii) if he/she is on layoff on account of a shutdown of the plant or department for vacation purposes and is ineligible for vacation pay,

(iv) if he/she did not have a sufficient period of work in employment covered by the State system,

(v) if he/she fails to receive a State unemployment benefit because he/she is not physically able to work provided he/she became disabled while on layoff and after sickness and accident coverage ceased under Article XXI, and he/she supplies the same certification of disability as would be required for sickness and accident benefits if such coverage had not ceased. Any disability benefit paid under or pursuant to a State or Federal law with respect to the period for which a Weekly Benefit is paid under this Paragraph shall for the purpose of this Article be deemed to be a State unemployment benefit,

(vi) if he/she does not receive a State unemployment benefit solely because he/she is participating in a training

program established under or pursuant to Federal law. In such case any income received by him/her under that program shall be deemed to be a State unemployment benefit.

(b) have made application for benefits from the Company no later than during the week following the week for which benefits are payable, at a time and place designated by the Company. The place at which reporting and applying are required will be at or near the location where the employee was last employed. If such place is an unreasonable distance from the employee's residence, or if he/she leaves the area to seek work, the Company shall, upon request of the employee in person, grant permission to report at another Company location where an adequate office for such reporting is maintained. If no such office is within reasonable distance, the Company shall, upon request of the employee in person, grant permission to report and apply by mail. An employee applying for a Weekly Benefit pursuant to Paragraph 3 (a) (v) may report and apply by mail. The necessary forms and instructions for making S.U.B. applications by mail shall be supplied by the Company to the employee at the time his/her request for mail reporting is granted. No employee shall receive a Weekly Benefit until he/she shows that he/she received a State unemployment benefit for the week or failed to receive such benefit for a reason which does not disqualify him/her from receiving a Weekly Benefit. This may be done by showing a State check or by some other method, which must reasonably provide for securing such proof.

(c) not be receiving or claiming any sickness or accident or disability benefit, or any pension or retirement benefit wholly or partially financed by the Company, for which he/she is eligible.

(d) not be receiving a week's vacation pay.

(e) not be in military service (including training encampments).

4. Weekly Benefits shall be payable, to employees meeting the qualifications of Paragraph 1, and who have

## **ARTICLE XXII (Cont'd.)**

not been on continuous layoff for more than two years for periods of layoff not to exceed their weeks of benefits eligibility. The maximum number of weeks of benefits eligibility shall be 52 until February 1, 1978, when additional weeks shall be credited as provided below. Thereafter, the maximum number of weeks of benefits eligibility shall be 52 weeks for Tier I employees, 78 weeks for Tier II employees and 104 weeks for Tier III employees; except however, an employee shall not be eligible for benefits in excess of 52 weeks if such employee has refused to accept an assignment to any appropriate work at the work location where employed.

As of February 1, 1978, additional weeks of benefits eligibility for Tier II and Tier III employees who worked on or after January 1, 1975, shall be credited as follows:

(a) Employees who have ten (10) but less than twenty (20) years of accumulated departmental seniority on February 1, 1978, and are actively at work or had such accumulated departmental seniority on their last day worked shall have their weeks of benefits eligibility increased by 26.

(b) Employees who have twenty (20) or more years of accumulated departmental seniority on February 1, 1978, and are actively at work or had such accumulated departmental seniority on their last day worked shall have their weeks of benefits eligibility increased by 52.

Employees who complete either ten (10) years of accumulated departmental seniority or 20 years of accumulated departmental seniority after February 1, 1978, shall have their weeks of benefits eligibility increased by 26 at the time they complete each such seniority provided they are actively at work on that date. If not actively at work on that date, weeks of benefits eligibility shall be so increased at the time such an employee returns to active work.

For purposes of this Article XXII the term "actively at work" shall include an employee on a vacation scheduled under the Vacation Plan, and an employee absent from work because of a holiday or scheduled day off provided

in all cases such employee was actively at work on the day immediately preceding such vacation, holiday or day off.

If an employee is recalled to work, his/her remaining weeks of benefits eligibility in any subsequent layoffs shall be increased to his/her Tier maximum at a rate of one-half week for each week thereafter in which he/she has any of the following hours:

(a) Hours worked for the Company.

(b) Hours not worked but for which he/she is paid, such as vacation hours or hours for which he/she received jury or witness pay or bereavement pay.

(c) Hours not worked and not paid for but which were lost because:

(i) he/she was performing his/her duties as a member of the Grievance Committee, or President, Vice-President, Recording Secretary, Financial Secretary and/or Treasurer of a Local of the Union which is his/her collective bargaining representative, or

(ii) he/she was absent because of disability for which benefits are payable under a Worker's Compensation or Occupational Disease law or the Company Program of Insurance Benefits.

An employee who receives benefits which are reduced under Paragraph 6 shall be deemed to have used only three-quarters of a week of eligibility unless his/her benefit was so reduced by one-half or more, in which case he/she shall be deemed to have used only one-quarter of a week's eligibility. Any employee having less than a full week's eligibility for any week shall be entitled to receive a proportionate benefit for such week.

**5.(a)** The amount of an employee's Weekly Benefits (subject to the provisions of Paragraphs 6 through 10 of A of this Article and Paragraph 3 of C of this Article) shall be 28 hours of average straight time hourly earnings (computed for the last calendar quarter which ended one month or more prior to the beginning of the employee's

## **ARTICLE XXII (Cont'd.)**

layoff, excluding pay for vacations and holidays from such calculation of straight time hourly earnings and adjusting for any intervening general wage change) minus the amount of the State unemployment benefit the employee receives or, if he/she is only partially unemployed, the amount he/she would have received for that week if totally unemployed.

**(b)** In the application of (a) above, the following shall apply (subject to the provisions of Paragraphs 6 through 10 of A of this Article and Paragraph 3 of C of this Article) in cases where the employee's State unemployment benefit is reduced or eliminated because of the receipt of a public or private pension.

(i) Where the employee's State unemployment benefit is reduced solely because of the receipt of a public or private pension, the Weekly Benefit shall be 28 hours of average straight time hourly earnings minus the amount of State unemployment benefit received.

(ii) Where the employee's State unemployment benefit is eliminated solely because of the receipt of a public or private pension and the employee is not in receipt of compensation, the Weekly Benefit shall be 28 hours of average straight time hourly earnings.

(iii) Where the employee's State unemployment benefit is eliminated because of the receipt of a public or private pension and compensation, but the employee would not have otherwise been disqualified for a State unemployment benefit because of receipt of compensation, the Weekly Benefit shall be as computed in Paragraph 5(a) above plus that portion of the public or private pension used in the reduction of the State unemployment benefit.

**(c)** In the event that Trade Readjustment Act benefits are payable to an employee who is also receiving a State unemployment benefit, such T.R.A. benefits shall not be deducted from the employee's Weekly Benefit. In those weeks for which no State unemployment benefits are payable, such T.R.A. benefit shall be deducted but limited to the amount of a full State unemployment benefit if it had been payable, assuming the employee in all

respects is otherwise qualified for the State unemployment benefit.

**6.(a)** An employee who is or would be disqualified for State unemployment benefits solely because of the receipt of compensation shall have his/her benefit as computed in Paragraph 5 reduced by the amount by which his/her compensation exceeds the sum of:

(i) the State unemployment benefit he/she would have received for that week if totally unemployed, and

(ii) the maximum amount, not in excess of \$10.00, which is disregarded by the State in calculating unemployment benefits for partial unemployment.

**(b)** An employee who is or would be ineligible for State unemployment benefits, for a reason other than the receipt of wages or remuneration, shall receive a Weekly Benefit equal to the sum of the State unemployment benefit, if any, and the Weekly Benefit which he/she would have received under Paragraph 5, or subparagraph (a) of this Paragraph 6, except for his/her ineligibility for a State benefit.

**7.** The amount of benefits to which a part-time employee is entitled shall be computed as above, except the 28 hours shall be reduced in the proportion that the part-time employee's regularly scheduled hours per week bear to 40. A part-time employee is an employee who, for his/her own convenience, works less than the regularly scheduled hours.

**8.** Notwithstanding the above, an employee who receives a State unemployment benefit, or is ineligible for such benefit solely because of the receipt of compensation or a public or private pension as set forth in Paragraph 3(a)(ii), shall have his/her Weekly Benefit calculated without a maximum benefit limit. In other words, the maximum Weekly Benefit for employees in Tier I shall be \$260.00 and for employees in Tier II and Tier III there shall be no maximum Weekly Benefit. In the case of an employee who accumulates two years' departmental seniority after he/she has established a State benefit year, he/she shall be deemed to receive State unemployment



## **ARTICLE XXII (Cont'd.)**

benefits for the number of weeks subsequent to his/her exhaustion of State benefits equal to the number of weeks in that benefit year in which he/she received State benefits although not yet eligible under this Agreement.

9. To the amount set forth above shall be added \$1.50 per week for each dependent for whom the personal exemption deduction is allowed the employee under Federal income tax laws, but such additional amount shall not exceed \$6.00 per week.

10. In such instances as the Company determines that State unemployment benefits are not payable to an eligible employee because of the receipt of such supplemental unemployment benefits from the Company, the Company and Union shall determine a suitable alternate method of payment. Such method of payment shall be effective as of the date of the Company's determination that supplementation is not permitted.

11. No weekly benefit of less than \$2.00 will be paid, nor will any week of eligibility, or fraction thereof, be canceled for any week in which the Weekly Benefit would have been less than \$2.00.

12. An employee is not eligible to receive a Weekly or Short Week Benefit if he/she receives, or is eligible to receive, a similar benefit under an arrangement provided by an employer with whom he/she has more service than with the Company.

### **B. Short Week Benefits**

1. An employee having two or more years of accumulated departmental seniority will receive a Short Week Benefit from the Company for any week in which some, but less than 32, hours are worked for the Company, unless the sum of the hours described in Paragraph 2 below equals or exceeds 32.

2. A Short Week Benefit for a particular week will be calculated by multiplying the employee's standard hourly

wage rate by the difference between 32 and the sum of the hours:

(a) He/she worked in the week, and

(b) He/she did not work but for which he/she was paid by the Company, provided, however, that effective February 1, 1978, hours for which he/she was paid for one unworked holiday shall not be counted, and

(c) He/she did not work for reasons other than lack of work.

3. If the employee applies for a State unemployment benefit for any portion of the week, he/she must notify the Company of such application and of the total amount of any such benefit received. One-seventh of the amount of such State unemployment benefit will be deducted from the amount calculated in accordance with Paragraph 2 above for each day of the State benefit week which falls within the payroll week for which the Short Week Benefit is paid.

Short Week Benefits shall be paid directly by the Company and shall not be charged against the contributions to or the finances of the S.U.B. plan. Paragraphs 3(b) and (c) of C shall not apply to Short Week Benefits.

4. A Short Week Benefit will be paid to the employee, without application by him/her for any week for which he/she qualifies.

5. One-half week of eligibility will be canceled for each Short Week Benefit.

### **C. Finances**

1. For each month the Company shall compute a Maximum Benefit Limit. Such Maximum Benefit Limit shall be equal to twenty-three (23) cents per hour worked in the first twelve of the previous thirteen months.

2. For each month the Company shall compute an Available Benefit Limit, which shall be the Available Benefit Limit for the preceding month adjusted by sub-

## ARTICLE XXII (Cont'd.)

tracting the Weekly Benefits paid during the second preceding month, and adding the amount required to bring the Available Benefit Limit up to 125 percent of the Maximum Benefit Limit, but such additional amount shall not exceed an amount computed by multiplying (i) nine and one-half (9.5) cents times the hours worked in the second preceding month until the Available Benefit Limit has been brought up to the Maximum Benefit Limit and (ii) an additional five (5) cents times the hours worked in the second preceding month. The addition of the five (5) cents shall be subject to the provisions of Paragraph 3(d).

**3.(a)** For each month the Company shall compute the ratio of the Available Benefit Limit to the Maximum Benefit Limit. Until the first month after July 1980 in which the ratio of the Available Benefit Limit to the Maximum Benefit Limit calculated on the basis of twenty-three (23) cents equals at least one, the ratio shall continue to be calculated by reference to a Maximum Benefit Limit based on eighteen (18) cents.

**(b)** If the ratio of the Available Benefit Limit to the Maximum Benefit Limit, calculated as in (a) above, shall be less than .35, the benefits otherwise payable during the month shall be reduced in accordance with the following table:

<u>When the ratio is:</u>	<u>The portion of the Benefit paid is:</u>
.25 or more but less than .35	60%
.15 or more but less than .25	30%

**(c)** In the event that such ratio shall be less than .15, no benefit shall be paid until such month as the ratio shall exceed .15; in no event however shall the total benefits paid during any month exceed the Available Benefit Limit calculated for such month.

**(d)** Notwithstanding Paragraphs 3(b) and (c) above, effective February 1, 1978, the Company guarantees that all Weekly Benefits payable under the Plan shall be paid in full to employees who are in Tier II or Tier III. To the extent that Weekly Benefits to such employees are reduced pursuant to Paragraphs 3(b) and (c), the

Company shall advance to the trust fund the amount by which the Weekly Benefits paid to such employees pursuant to Paragraphs 3(b) and (c) need to be supplemented to provide full payment. The Company shall maintain a separate record of such advances. In any month in which there is an outstanding balance of such advances, and the Available Benefit Limit would otherwise exceed the Maximum Benefit Limit, the Company may reduce the additions which would otherwise be made to the Available Benefit Limit pursuant to Paragraph 2, but such reduction shall not reduce the Available Benefit Limit below the Maximum Benefit Limit. Any such reduction in the additions which would otherwise be made to the Available Benefit Limit shall be recorded as a credit against the outstanding balance of advances made pursuant to this Paragraph.

4. The word "month" as used in this Article shall be construed to mean a four or five-week period, depending upon the number of weekly payroll ending dates falling within a calendar month.

5. The Company shall continue the trust fund established under the Agreement dated October 28, 1956, which is administered by a trustee selected by the Company. All payments of benefits shall be made from the trust fund and for each month, the Company shall contribute to the fund an amount to cover all benefits payable.

6. Federal Income Tax Ruling. Continued contributions to the Plan shall be conditioned upon the continuation in effect of the ruling of the Commissioner of Internal Revenue that such contributions constitute a currently deductible expense for income tax purposes under the Internal Revenue laws of the United States.

7. Fair Labor Standards Act Ruling. Continued contributions to the Plan shall be conditioned upon the continuation in effect of the ruling of the United States Department of Labor that no part of such contribution shall be included in the regular wage rate of any employee.

## **ARTICLE XXII (Cont'd.)**

8. Withholding Provision. If the Company or trustee at any time shall be required to withhold any amount from any payment of benefits, by reason of any Federal, State, County, or municipal law or regulation, the Company or trustee shall have the right to deduct such amount from such payment.

9. If an employee is disqualified from supplemental unemployment benefit payments for the reason that his/her eligibility for State unemployment insurance benefits is in dispute, and withheld pending a ruling from an Appeal to the State, Company benefits shall not be paid but shall be set aside pending such State ruling.

10. Disputes arising from the application of supplemental unemployment benefits shall be initiated at **Step 2** of the grievance procedure.

11. Upon the expiration of this Agreement, the Company shall have the right to suspend or terminate contributions, except as may be otherwise provided in any subsequent agreement between the Company and the Union. If contributions are terminated, any assets then remaining in the fund, plus that portion of the Available Benefit Limit made up of accrued liability, shall be subject to all the applicable provisions of this Article and shall be used until exhausted to pay similar benefits to applicants laid off or thereafter laid off in the order, each week, of the respective dates as of which they were laid off. In such case, the provisions for reduction of benefits of Paragraph 3 of this provision shall not be effective.

12. The Union shall be furnished, on forms and at times to be agreed upon, such information as may be reasonably required to enable the Union to be properly informed concerning the operation of the Plan.

## **ARTICLE XXIII — RIGHTS UNDER THIS AGREEMENT**

### **Section 40. Performance Under Agreement**

This Agreement shall be binding on both the Company and the Union and shall be faithfully performed by each

and shall apply alike to male and female employees. In each wage rate structure female employees shall receive equal pay for equal work.

### **Section 41. Other Agreements**

No contract or agreement, oral or written, affecting the employees to whom this Agreement applies shall be entered into between the Company and any employee or group of employees or their representative or representatives that will in any way conflict with or supersede this Agreement during its life except as may be mutually agreed upon by the signatory parties to this Agreement.

### **Section 42. Local Agreements**

A. Present local arrangements, on matters covered by this Agreement, which are not in conflict with this Agreement, which apply or interpret the terms of this Agreement, and which were in effect prior to the execution of the Agreement of October 28, 1956, or which subsequently thereto became effective through operation of Section 47B of that Agreement, will remain in effect for the period of this Agreement unless modified or terminated by agreement of the local Union and local Management.

B. Any future local agreements applying or interpreting the terms of this Agreement shall be in writing and approved by the local Union, a representative of the International Union, the Plant or Works Manager or his designated representative, and a representative of the Company's Industrial Relations Staff in order to be valid in any future application of the terms of this Agreement.

## **ARTICLE XXIV — NEW AND CHANGED JOB CLASSIFICATIONS**

### **Section 43. New Job Classifications**

When a new job classification is established:

A. The Company will develop a proposed wage rate for the new job classification.

#### **Section 43 (Cont'd.)**

**B.** The proposed hourly wage rate shall be submitted and discussed with the proper Union representatives with the object of obtaining agreement.

**C.** If the Union and Company are unable to agree upon the hourly wage rate, the Company may install the proposed rate. The Union may, at any time within 90 days after receipt of the proposed rate, file a grievance alleging that the classification rate does not bear a fair wage rate relationship to the wage rate structure in the same Works. Grievances pertaining to the hourly wage rate shall be initiated at the second step and processed under the grievance and arbitration procedures of this Agreement. The decision shall be made effective as of the date when the employee was assigned to the new job classification.

#### **Section 44. Changed Job Classifications**

It is the intent of the parties to set forth in this Section the maintenance and stabilization of job classifications and to provide for bona fide changes.

It is recognized that the Company will change existing job classifications only for valid operating reasons and not for disciplinary or discriminatory purposes. Improved utilization of manpower and/or equipment; improved quality, productivity or effectiveness; reduction of hazards or delays; adaptation to changes in equipment, products, markets or technology are examples of valid operating reasons for instituting changes to existing job classifications.

When the character and type of duties and requirements of a job classification are so changed, either all at once or as a result of an accumulation of changes over a period of time, as to alter the wage rate relationship of that classification to other classifications in the same Works:

**A.** The Company shall develop a proposed hourly wage rate for the changed job classification.

**B.** The proposed hourly wage rate shall be submitted and discussed with the proper Union representatives with the object of obtaining agreement.

**C.** If the Union and Company are unable to agree upon the hourly wage rate the Company may install the proposed rate. The Union may, at any time within 90 days after receipt of the proposed rate file a grievance alleging that the job classification is improperly changed under the terms of this Section or does not bear a fair wage rate relationship to the other classifications at the Works. The grievance and arbitration procedures of this Agreement shall be followed in such cases except that such grievances shall be initiated at the final local grievance step. The wage rate decision shall be made effective as of the date the job classification was changed.

**D.** In the event that the Company does not develop a changed hourly wage rate for the changed job classification or in the event that it does not report a change in job duties or content to the Union and it is claimed that the change constitutes a change in the job classification, the Union may file a grievance requesting that a changed hourly wage rate be developed and installed in accordance with the provisions of this Section. Such grievance shall be initiated in the final local grievance step and processed under the grievance and arbitration procedures of the Agreement. The decision shall be made effective as of the date the changed job classification was established.

**E.** A change in methods, materials, or functions, or addition or deletion of a job may, among other things, constitute a change in duties or requirements.

**F.** The changed job classification procedures of this Section will not be used for the sole purpose of circumventing whatever rights employees have under any provision of this Agreement. Changes in job classifications under this Section shall not be made unless it is expected that they will continue in effect for a reasonable period of time.

## **ARTICLE XXV – LEGAL RIGHTS**

Nothing in this Agreement shall be construed as waiving any rights or protection granted to the Company, the Union, or any employee under any applicable Federal or State Law.



## **ARTICLE XXV (Cont'd.)**

Any provision of this Agreement found to be in conflict with any Federal or State law will not abrogate any of the other provisions of this Agreement.

## **ARTICLE XXVI — BEREAVEMENT PAY**

When death occurs in an employee's immediate family (i.e., employee's legal spouse, mother, father, mother-in-law, father-in-law, son-in-law, son, daughter, daughter-in-law, brother, sister, grandparents, grandchildren, stepparents, stepchildren, half-brother or half-sister) an employee, upon request, will be excused for up to three (3) days (or for such fewer days as the employee may be absent) on which he/she otherwise would have worked and which occur within six (6) days of the death, funeral, or service. After making written application therefore and provided that the relationship is one which is comprehended herein, the employee shall receive pay for any such excused scheduled shift provided he/she attends the funeral or service. Payment shall be eight (8) times his/her average straight-time hourly earnings. An employee will not receive bereavement pay when it duplicates pay received for time not worked for any other reason. Time thus paid will be counted as hours worked for the purposes of determining premium pay liability but will not be counted for the purposes of determining overtime pay liability.

## **ARTICLE XXVII - INCOME MAINTENANCE PROGRAM**

The Income Maintenance Program is designed to provide a guaranteed level of rate protection for eligible employees whose average job grade has been lowered solely through involuntary demotion resulting from a reduction of forces. This rate protection will be provided by the payment of an Income Maintenance Allowance which, when added to the employee's average job grade rate for hours worked in a quarter, will increase such average job grade rate to a specified percentage of the current rate applicable to the employee's average job grade established during a base period preceding such quarter.

## **Section 45. Definitions**

For purposes of the Income Maintenance Program, the following terms are intended to have the meaning set forth below:

**A. "Base Year"** — The 52 pay periods prior to the first pay period commencing in December of the year preceding the end of any benefit quarter.

**B. "Benefit Quarter"** — The 13 pay periods preceding the first pay period commencing in March, June, September and December.

**C. "Eligible Employees"** — Employees who have two (2) or more years of accumulated departmental seniority as of the end of the last pay period in a Benefit Quarter and who have worked 160 or more hours during the Base Year.

**D. "Base Year Job Grade"** — The employee's average job grade during the Base Year as determined by weighing the job grade paid for each job in which the employee was payroll classified by the hours worked while so classified, except that:

Should the employee, during the Base Year or any subsequent Benefit Quarter, through "voluntary means" become payroll classified in or retain any job grade lower than that determined above, such lower job grade shall immediately become his/her Base Year Job Grade for purposes of this program. "Voluntary means" includes but is not limited to bidding down, refusal of a restoration, or refusal of a promotion which in accordance with local practices an employee would normally be expected to seek.

Temporary assignments to classifications paid a higher or lower job grade than that of an employee's regular job shall not be considered.

**E. "Benefit Quarter Job Grade"** — The employee's average job grade during the Benefit Quarter as determined by weighing the job grade paid for each job in which the employee was payroll classified during the

Benefit Quarter by the hours worked while so classified. Temporary Assignment consideration shall follow the principles noted above under "Base Year Job Grade."

**F. "Base Year Rate"** — The standard hourly wage rate in effect during the last pay period of the Benefit Quarter for the Base Year Job Grade. Interpolation shall be used between values on the Standard Hourly Wage Rate schedule to determine the appropriate rate to the nearest tenth of a job grade.

**G. "Benefit Quarter Rate"** — The standard hourly wage rate in effect during the last pay period of the Benefit Quarter for the Benefit Quarter Job Grade. Interpolation shall be used between values on the Standard Hourly Wage Rate schedule to determine the appropriate rate to the nearest tenth of a job grade.

**H. "Income Maintenance Allowance"** — An amount of money to be calculated each Benefit Quarter as noted below and paid to eligible employees at the same time normal payment is made at the location involved for the first pay period commencing in the months of March, June, September and December.

#### **Section 46. Benefit Calculation**

The Income Maintenance Allowance shall be calculated as follows: The employee's Base Year Rate for the Benefit Quarter shall be multiplied by the appropriate percentage specified in the table below. The resulting rate represents the income security guarantee provided by the program to eligible employees for the hours worked during the Benefit Quarter. If the employee's Benefit Quarter Rate equals or exceeds the guaranteed rate, no Income Maintenance Allowance is payable for the Benefit Quarter. If the employee's Benefit Quarter Rate is less than the guaranteed rate, the Income Maintenance Allowance shall be determined by multiplying the difference between the guaranteed rate and the Benefit Quarter Rate by the hours worked during the Benefit Quarter. The amount so determined shall then be paid to eligible employees as noted above.

### **I.M.A. PERCENTAGE TABLE**

<b>Accumulated Departmental Seniority At End of Benefit Quarter</b>	<b>Base Year Job Grade Percentage</b>
2 yrs. but less than 10	90
10 yrs. but less than 20	95
20 yrs. or more	95

#### **Section 47. General**

A. No Income Maintenance Allowance shall be payable to any individual for a Benefit Quarter during which his/her seniority is terminated under any of the provisions of Article XVI, Section 27 of the Labor Agreement.

B. Money paid as an Income Maintenance Allowance shall not be used in the base for calculation of overtime (except where statutorily required), premium pay, benefits or other pay additive except in those cases where benefit levels are determined by reference to annual earnings.

### **ARTICLE XXVIII — PERIOD OF AGREEMENT**

Except as otherwise provided below, this Agreement shall terminate sixty (60) days after either party shall give written notice of termination to the other party, but in any event shall not terminate earlier than Midnight, **September 29, 2006**.

If either party gives such notice, it may include therein notice of its desire to negotiate with respect to Pensions (existing provisions or agreements as to Pensions to the contrary notwithstanding), and the parties shall meet within thirty (30) days thereafter to negotiate with respect to such matters. If the parties shall not agree with respect to such matters by the end of sixty (60) days after the giving of such notice, either party may thereafter resort to strike or lockout as the case may be in support of its position in respect to such matters as well as any other matter in dispute, but not earlier than Midnight, **September 29, 2006**, (the existing agreements or provisions with respect to Pensions to the contrary notwithstanding).

**ARTICLE XXVIII (Cont'd.)**

**Dated: September 30, 2001**

**FOR THE COMPANY**

Mario Longhi  
Joel Leonard  
Kathryn F. Shen  
Walter Hawkins  
Dan E. Smith

**FOR THE UNION**

Elizabeth Bunn  
John Rucker  
Richard Isaacson  
Roy King  
Cecil Moore  
Dennis Balis  
Robert Blazek, Jr.  
Don Morgan

# **APPENDIX I** **STANDARD HOURLY RATES**

Job Grade	Standard Hourly Rates 10/1/01	Standard Hourly Rates 9/30/02	Standard Hourly Rates 9/29/03	Standard Hourly Rates 10/4/04	Standard Hourly Rates 10/3/05
1 and 2	15.138	15.238	15.543	15.643	15.956
3	15.286	15.396	15.704	15.814	16.130
4	15.433	15.553	15.864	15.984	16.304
5	15.581	15.711	16.025	16.155	16.478
6	15.729	15.869	16.186	16.326	16.653
7	15.876	16.026	16.347	16.497	16.827
8	16.024	16.184	16.508	16.668	17.001
9	16.171	16.341	16.668	16.838	17.175
10	16.319	16.499	16.829	17.009	17.349
11	16.467	16.657	16.990	17.180	17.524
12	16.614	16.814	17.150	17.350	17.697
13	16.762	16.972	17.311	17.521	17.871
14	16.909	17.129	17.472	17.692	18.046
15	17.057	17.287	17.633	17.863	18.220
16	17.205	17.445	17.794	18.034	18.395

Job Grade	Standard Hourly Rates 10/1/01	Standard Hourly Rates 9/30/02	Standard Hourly Rates 9/29/03	Standard Hourly Rates 10/4/04	Standard Hourly Rates 10/3/05
17	17.352	17.602	17.954	18.204	18.568
18	17.500	17.760	18.115	18.375	18.743
19	17.647	17.917	18.275	18.545	18.916
20	17.795	18.075	18.437	18.717	19.091
21	17.943	18.233	18.598	18.888	19.266
22	18.090	18.390	18.758	19.058	19.439
23	18.238	18.548	18.919	19.229	19.614
24	18.385	18.705	19.079	19.399	19.787
25	18.533	18.863	19.240	19.570	19.961
26	18.681	19.021	19.401	19.741	20.136
27	18.828	19.178	19.562	19.912	20.310
*27	19.178	19.878	20.626	21.326	22.102
28	18.976	19.336	19.723	20.083	20.485
29	19.123	19.493	19.883	20.253	20.658
*29	19.473	20.193	20.947	21.667	22.460
30	19.271	19.651	20.044	20.424	20.832
31	19.419	19.809	20.205	20.595	21.007

32	19.566	19.966	20.365	20.765	21.180
33	19.714	20.124	20.526	20.936	21.355
*33	20.064	20.824	21.590	22.350	23.147
34	19.861	20.281	20.687	21.107	21.529
35	20.009	20.439	20.848	21.278	21.703
*35	20.359	21.139	21.912	22.692	23.496

\* Standard Hourly Rate plus craft adjustment for Millwrights, Electricians, Mechanical Technicians, and Electrical Technicians 35¢ annual improvement factor each year of agreement (\$1.75 over life of Agreement)



**APPENDIX II**  
**APPRENTICE RATE PROGRESSION SCHEDULE**  
 (by Job Grade)  
 Training Period

0 to 1000 Hrs.	1000 to 2000 Hrs.	2000 to 3000 Hrs.	3000 to 4000 Hrs.	4000 to 5000 Hrs.	5000 to 6000 Hrs.	6000 to 7000 Hrs.	7000 to 8000 Hrs.
6	7	8	9	12	16	20	20
6	7	8	9	13	17	21	21
7	8	9	10	14	18	22	22
8	9	10	11	15	19	23	23
8	9	10	11	15	19	24	24
8	9	10	11	15	20	25	25
8	9	10	11	15	20	26	26
8	9	10	11	15	21	27	27
8	10	11	12	16	21	28	28
8	10	11	12	16	22	29	29

See Apprenticeship Selection

### APPENDIX III

#### COST OF LIVING

##### 1. For purposes of this Agreement:

"Consumer Price Index" refers to the "Consumer Price Index for Urban Wage Earners and Clerical Workers New Series (CPI-W) — United States — All Items (1967 = 100)" published by the Bureau of Labor Statistics, U.S. Department of Labor.

"Consumer Price Index Base" shall be determined as follows:

(i) For the **December 3, 2001, and March 4, 2002** Adjustment Dates, the Consumer Price Index Base refers to the Consumer Price Index for the month of January **2001** published by BLS in February **2001** as **511.6**, multiplied by 103.0%.

(ii) For the **June 3, 2002, September 2, 2002, December 2, 2002, and March 3, 2003** Adjustment Dates, the Consumer Price Index Base refers to the Consumer Price Index for the month of January **2002**, multiplied by 103.0%.

(iii) For the **June 2, 2003, September 1, 2003, December 1, 2003, and March 1, 2004** Adjustment Dates, the Consumer Price Index Base refers to the Consumer Price Index for the month of January **2003**, multiplied by 103.0%.

(iv) For the **June 7, 2004, September 6, 2004, December 6, 2004, and March 7, 2005** Adjustment Dates, the Consumer Price Index Base refers to the Consumer Price Index for the month of January **2004**, multiplied by 103.0%.

(v) For the **June 6, 2005, September 5, 2005, December 5, 2005, and March 6, 2006** Adjustment Dates, the Consumer Price Index Base refers to the Consumer Price Index for the month of January **2005**, multiplied by 103.0%.

(vi) For the **June 5, 2006** and **September 4, 2006** Adjustment Dates, the Consumer Price Index Base refers to the Consumer Price Index for the month of January 2006, multiplied by 103.0%.

"Adjustment Dates" are **December 3, 2001; March 4, June 3, September 2, and December 2, 2002; March 3, June 2, September 1, and December 1, 2003; March 1, June 7, September 6, and December 6, 2004; March 7, June 6, September 5, December 5, 2005; and March 6, June 5, and September 4, 2006.**

"Change in the Consumer Price Index" is defined as the difference between (i) the Consumer Price Index Base and (ii) the Consumer Price Index for the second calendar month next preceding the month in which the applicable Adjustment Date falls.

2. **Cost-of-Living Adjustment:** Effective on each Adjustment Date a Cost-of-Living Adjustment equal to 1¢ per hour for each full .3 of a point change in the Consumer Price Index shall be calculated. In calculating the adjustment, if any, for **December 2001** and **March 2002**, there shall be added to the calculated amount a **fixed carryover amount of ninety-seven cents (\$.97)**. In calculating the adjustments, if any, for June, September, and December **2002**, and March **2003**, there shall be added to the calculated amount an amount equal to the Cost-of-Living Adjustment, if any, which was payable on **March 4, 2002**. In calculating the adjustments, if any, for June, September, and December **2003**, and March **2004**, there shall be added to the calculated amount an amount equal to the Cost-of-Living Adjustment, if any, which was payable on **March 3, 2003**. In calculating the adjustments, if any, for June, September, and December **2004**, and March **2005**, there shall be added to the calculated amount an amount equal to the Cost-of-Living Adjustment, if any, which was payable on **March 1, 2004**. In calculating the adjustments, if any, for the June, September, and December **2005**, and March **2006**, there shall be added to the calculated amount an amount equal to the Cost-of-Living Adjustment, if any, which was payable on **March 7, 2005**. In calculating the adjustments, if any, for June **2006**, there shall be added to the

calculated amount equal to the Cost-of-Living Adjustment, if any, which was payable on March 6, 2006.

Effective on each Adjustment Date, the Cost-of-Living Adjustment as determined above shall become payable for all hours worked by an hourly-rated employee until the next Adjustment Date. The Cost-of-Living Adjustments under this paragraph shall be considered an "add-on" and shall not be deemed part of the employee's standard hourly rate, nor shall it be considered part of the employee's earnings or a general wage increase for the calculation of any premiums or benefits except as may be statutorily required or specifically provided for. Such adjustment shall be included with the hourly rate only in the calculation of pay for hours worked (including over-time hours) and Allowed Time in accordance with Sections 18 and 19.

3. Should the monthly Consumer Price Index in its present form and on the same basis as the Index published for January 2001 become unavailable, the parties shall attempt to adjust this Section or, if agreement is not reached, request the Bureau of Labor Statistics to provide an appropriate conversion of adjustment, which shall be applicable as of the appropriate Adjustment Date and thereafter.

# **APPENDIX IV** **SUMMARY OF JOB AND INCOME SECURITY** **PROGRAM**

<u>Subject</u>	<u>Tier I (Employees with two years but less than ten years of accumulated depart- mental seniority)</u>	<u>Tier II (Employees with ten years but less than twenty years of accumulated depart- mental seniority)</u>
A. S.U.B		
1. Financing	<p>(a)The Maximum Benefit Limit will be increased from 18 cents times all hours worked in the base 12 months to 23 cents times those hours.</p> <p>(b)The Company will accrue a liability of 9.5 cents per hour worked until the fund balance equals 100 percent of the Maximum Benefit Limit.</p> <p>(c)The Company will also accrue a liability for an additional 5 cents per hour worked until the fund balance equals 125 percent of the Maximum Benefit Limit.</p>	<p>All SUB benefits are guaranteed. The Company will advance amounts required to pay benefits in full.</p>

Tier III

(Employees with twenty or  
more years of accumulated  
departmental seniority)

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Reference for further details

Same as Tier II.  
Agreement.

See Article XXII of Labor

**APPENDIX IV (cont'd.)**  
**SUMMARY OF JOB AND INCOME SECURITY**  
**PROGRAM**

<u>Subject</u>	<u>Tier I</u> (Employees with two years but less than ten years of accumulated departmental seniority)	<u>Tier II</u> (Employees with ten years but less than twenty years of accumulated departmental seniority)
<b>A. S.U.B. (cont'd)</b>		
2. Maximum Duration	Up to 52 weeks.	Up to 78 weeks.
3. Maximum Benefits	No benefit maximum for weeks in which unemployment compensation is received; \$260 maximum.	Both maximums are eliminated.
<b>B. Short Week Benefits</b>		
1. Financing	All Short Week Benefits are paid directly by the Company; no charge against SUB Fund.	Same as Tier I.
2. Deduction of Holiday Pay	One holiday in a week will not be counted.	Same as Tier I.
<b>C. Income Maintenance</b>		
	Employees will be guaranteed 90% income protection while working on a lower rated job (in addition to existing protection.	Employees will be guaranteed 95% income protection.

### Tier III

(Employees with twenty or more years of accumulated departmental seniority)

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Reference for further details

Up to 104 weeks.

See Article XXII of Labor Agreement.

Same as Tier II.

See Article XXII of Labor Agreement.

Same as Tier I.

See Article XXII of Labor Agreement.

Same as Tier I.

See Article XXII of Labor Agreement.

Employees will be guaranteed 95% income protection.

See Article XXII of Labor Agreement.



**APPENDIX IV (cont'd.)**  
**SUMMARY OF JOB AND INCOME SECURITY**  
**PROGRAM**

<u>Subject</u>	Tier I (Employees with two years but less than ten years of accumulated depart- mental seniority)	Tier II (Employees with ten years but less than twenty years of accumulated depart- mental seniority)
<u>D. Pensions</u>		

### Tier III

(Employees with twenty or more years of accumulated departmental seniority)

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Reference for further details

#### Rule of 65 Pension

See Section II of Pension Agreement

1. Rule of 65 Pension (age plus Pension Service equals 65) for employees who are affected by extended layoff or disability; also, such Pension applies to employees who are displaced as a result of a plant shut-down (including shutdown relating to energy problems) and the Company fails to provide suitable long-term employment.
2. Employee must have a minimum of 20 years of Pension Service as of the last day worked.
3. Benefit includes a special retirement payment, a full pension, plus (until the employee becomes entitled to Social Security) a \$400 supplement.
4. Supplement is suspended whenever the employee obtains suitable long-term employment.

**APPENDIX IV (cont'd.)****SUMMARY OF JOB AND INCOME SECURITY  
PROGRAM**

<u>Subject</u>	Tier I (Employees with two years but less than ten years of accumulated depart- mental seniority)	Tier II (Employees with ten years but less than twenty years of accumulated depart- mental seniority)
E. Sickness and Accident	<b>(1) Short Term Disability: 50% or 60% of employee's weekly base wage for twenty-six (26) weeks, as chosen by employee</b>  <b>(2) Long Term Disability: 50% or 60% of employee's weekly base wage until no longer disabled or Age 65, with a mini- mum of five (5) years coverage if disabled.</b>	<b>Same as Tier I</b>
F. Medical Insurance Coverage in Event of Layoff	Medical Insurance and Life Insurance continued for up to one year.	Medical Insurance and Life Insurance continued for up to two years

Tier III

(Employees with twenty or  
more years of accumulated  
departmental seniority)

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Reference for further details

Same as Tier II Booklet.

See General Provisions of  
Insurance Booklet.

**APPENDIX V**  
**SHIFT PREMIUM HOURLY RATES**  
**Effective September 30, 2001**

<b><u>Job Grade</u></b>	<b><u>Second (Afternoon) Shift</u></b>	<b><u>Third (Night) Shift</u></b>
1 and 2	0.341	0.568
3	0.345	0.575
4	0.349	0.582
5	0.353	0.588
6	0.357	0.595
7	0.361	0.602
8	0.365	0.608
9	0.369	0.615
10	0.373	0.622
11	0.377	0.628
12	0.381	0.635
13	0.385	0.642
14	0.389	0.649
15	0.393	0.655
16	0.397	0.662
17	0.401	0.669
18	0.405	0.675
19	0.409	0.682
20	0.413	0.689
21	0.417	0.695
22	0.421	0.702
23	0.425	0.709
24	0.429	0.716
25	0.433	0.722
26	0.437	0.729
27	0.441	0.736
28	0.445	0.742
29	0.449	0.749
30	0.453	0.756
31	0.457	0.762
32	0.461	0.768

## **APPENDIX VI**

### **PERFORMANCE PAY PLAN**

The following Performance Pay Plan provides for participation by hourly employees represented by the Union.

#### **I. PURPOSE AND PHILOSOPHY**

The purpose of Performance Pay is to share profits and gains while focusing employees in a Business Unit/Location on overall Corporate Financial Performance and critical business goals. Working together and achieving Corporate Financial and Business Unit/Location goals will result in increased profitability for the business and monetary reward to employees. The intent is that all employees in a Business Unit/Location will have the same goals for variable compensation to achieve a common focus on key performance goals and congruency of employee treatment.

##### **Guiding Principles for Performance Pay:**

- The design and goals will be consistent with the Business Unit/Location's business strategies and with Alcoa's vision and values.

- The design and goals should support teamwork and employee involvement, be perceived as fair, and be easily understood by employees.

- All employees in a Business Unit/Location will have their Performance Pay payout based on the same Performance Measures.

- A specified award opportunity will be based on the performance of the Business Unit/Location. A separate award opportunity will be based on Corporate Financial Performance. Payouts for Business Unit/Location and Corporate Financial Performance are independent of each other.

- Variable compensation payouts will supplement the negotiated base level of wages.

#### **II. ELIGIBLE EMPLOYEE**

An Eligible Employee is an hourly employee covered by this Agreement who had actual hours worked during the

payroll weeks disbursed in the Year and who either had employee status on December 31 of the Year or whose employee status terminated during the Year due to death or retirement.

### **III. EFFECTIVE DATE**

Performance Pay will be applicable for the full year **2001** and for the duration of the Agreement.

### **IV. DESIGN**

#### **1. General**

The design requires that a range of performance improvement be established for each Performance Measure (financial or non-financial) that in turn translates to a range of payout opportunity for employees. Higher levels of performance results provide for higher levels of payout as a percentage of employee Eligible Earnings.

The normal payout range for Performance Pay is up to 10.0% of Eligible Earnings.

The design provides that the award opportunity of up to 5.0% of Eligible Earnings will be based on Alcoa Corporate Financial Performance as measured by Return on Equity of Alcoa and consolidated subsidiaries (ROE), with an additional payout opportunity for outstanding corporate results. There is no cap on the payout opportunity for Corporate Financial Performance. Another payout opportunity of up to 5.0% of Eligible Earnings will be based on Business Unit/Location measurements.

The payouts for the corporate opportunities and the Business Unit/Location opportunities are calculated independently of each other.

#### **2. Corporate Financial Performance**

The Corporate Financial Performance has a threshold of 10.0% ROE, a 15.0% ROE target, and an uncapped performance range, except that for 1993 the threshold shall be 8.0% ROE and the target shall be 10.0% ROE.

#### **3. Business Unit/Location Performance**

Each Year beginning in **2002**, a joint Company/Union committee at each location will meet to review, discuss

and provide input to the set of Performance Measures, together with a threshold, target, and maximum value for each measure, which will become the basis for the Business Unit/Location Performance Measures must sum to 50%.

If the joint committee is unable to agree on performance measures, management will determine and implement the measurements, performance ranges, and weightings applicable to all employees at the location including bargaining unit employees for the Year, provided, however, that such measurements, performance ranges, and weightings shall be no more difficult to achieve than those last proposed by management in the joint committee.

#### **4. Payout Opportunities**

The range of Performance Measures and the range of payout percents forms the basis for payout opportunities.

If neither Corporate Financial Performance nor Business Unit/Location Performance reaches its threshold, no Performance Pay payout will be made.

2.5% of Eligible Earnings will be the payout should both Corporate Financial Performance and Business Unit/Location Performance be at the threshold of the range.

5.0% of Eligible Earnings will be the payout should both Corporate Financial Performance and Business Unit/Location Performance be at target.

10.0% of Eligible Earnings will be the payout should both Corporate Financial Performance and Business Unit/Location Performance be at the normal range maximum.

The normal maximum payout opportunity on the corporate portion is uncapped above a 22.5% ROE. Performance results above a 22.5% ROE will result in extending the payout opportunity on Eligible Earnings at two times the rate of increase of the corporate portion as compared to the normal range above 15.0% ROE.



For Corporate Financial Performance and/or Business Unit/Location Performance which falls between the threshold and maximum values, the payout percent will be calculated by interpolation.

## **V. DEFINITIONS**

For purposes of Performance Pay, the following definitions are established:

**1. Business Unit/Location** ... means a business unit, plant location or organizational unit within a location.

**2. Business Unit/Location Performance** ... are goals which will be determined locally and communicated to all participants normally at the beginning of the Year. Business Unit/Location Performance Measures may be financial, non-financial, or a mix.

**3. Corporate Financial Performance** ... has a threshold of 10.0% ROE, a 15.0% ROE target, and an uncapped performance range. The Compensation Committee of the Board of Directors has the authority to make adjustments to results because of unusual events or extraordinary circumstances.

**4. Eligible Earnings** ... means the sum of straight-time hourly-base wages (for straight-time hours and overtime hours); straight-time cost-of-living allowance (for straight-time hours and overtime hours); straight-time shift and schedule premiums (for straight-time hours and overtime hours); vacation pay; unworked holiday pay; and jury, witness and bereavement pay.

The definition of Eligible Earnings for an Eligible Employee who is on disability attributable in whole or in part to his or her employment with the Company, shall include the time lost and the straight-time earnings associated with that time lost at a rate not to exceed 8 hours per day or 40 hours per week.

The period used to determine Eligible Earnings for a Year shall encompass the same payroll weeks used in the determination of the Year's W-2 earnings.

**5. Eligible Employee** ... is an hourly employee covered by this Agreement who had actual hours worked during

the payroll weeks disbursed in the Year and who either had employee status on December 31 of the Year or whose employee status is terminated during the Year due to death or retirement.

**6. Financial Thresholds** ... payouts will only occur after meeting specified financial profit thresholds. For the Corporate Financial Performance, the Financial Threshold is 10.0% ROE. There is no financial threshold for Business Unit/Location non-financial performance measurements.

**7. Percent of Target Attained** ... is the ratio of actual results to target value for corporate performance and Business Unit/Location Performance Measures, with values of 50% at threshold, 100% at target, and 200% at maximum or higher for outstanding Corporate Financial Performance above 22.5% ROE.

**8. Performance Measures** ... are the set of financial and/or non-financial measures upon which the Business Unit/Location portion of any Performance Pay payout is based. If more than one Performance Measure will be used, each of the measures must be weighted in importance, the sum of the weights totaling 50%.

**9. Year** ... means the 12-month period beginning January 1 and ending on December 31 for the Year **2001** and each additional year for the duration of the Agreement.

## **VI. CALCULATION OF THE PERFORMANCE PAY PAYOUT**

At the end of each Year, full-year results will be used to calculate a Performance Pay payout, with corporate results against a Target value of 15.0% Return on Equity determining the corporate portion of the payout and attainment against Performance Measures as the basis for the Business Unit/Location portion of the payout.

A worksheet has been prepared for the calculation of the Performance Pay payout.

The actual result for Corporate Financial Performance and each Performance Measure will be compared to its range of performance to determine a Percent of Target Attained, as follows:

— If the Corporate Financial Performance is below the threshold value of 10.0% ROE, the corporate Percent of Target Attained will be zero (0%) for the corporate portion of the payout;

— For each Performance Measure used to determine the Business Unit/Location portion of the payout, a result which is below the threshold will result in a Percent of Target Attained of zero (0%) for that Performance Measure;

— For results which are between the threshold and maximum values for Corporate Financial Performance or a Business Unit/Location Performance Measure, interpolation will be used to determine the respective Percent of Target Attained;

— For each Business Unit/Location Performance Measure, a result which exceeds the maximum will result in a Percent of Target Attained of 200% for that Performance Measure;

— For Corporate Financial Performance which exceeds 22.5% ROE, a Percent of Target Attained will be calculated by doubling the rate of increase in payout opportunity as compared to the range above 15.0% ROE for that portion of the results which exceed 22.5% ROE;

— The corporate Percent of Target Attained will be multiplied by 50% to determine a weighted corporate Percent of Target Attained;

— The Percent of Target Attained for each Business Unit/Location Performance Measure will be multiplied by the weight assigned to it to determine a weighted Percent of Target Attained;

— The weighted results will be summed to determine a total Business Unit/ Location Percent of Target Attained;

— The total Business Unit/Location Percent of Target Attained will be added to the weighted corporate Percent of Target Attained to determine a Total Percent of Target Attained;

— The Total Percent of Target Attained will be multiplied by 5.0% to determine the payout percentage;

— An employee's Performance Pay payout will be calculated by multiplying his/her Eligible Earnings by the payout percentage.

## **VII. ADMINISTRATION OF THE PERFORMANCE PAY**

The information necessary to administer the provisions of Performance Pay will be prepared and maintained by the Company. The costs associated with its administration will be borne by the Company.

### **Communication**

The parties believe that it is important for participants in Performance Pay to understand the relevant goals, thresholds and maximum performance levels to understand the Business Unit/Location focus and their potential payout opportunities.

### **Administration**

In the event an employee quits or is terminated during the Year, no payout shall be paid. In the event of death, disability, retirement or layoff, an employee's award will be calculated on actual Eligible Earnings.

In the event an employee is transferred between Business Unit/Location, the payout shall be pro-rated for the number of whole weeks worked in each unit, based on the employee's job classification for each week.

Payouts will be determined annually and shall be determined and paid as soon as practical after the close of the calendar year.

The determination of accounting policies in regards to Performance Pay shall be at the sole discretion of the Company. Such policies shall be applied in accordance with accounting practices of the Company.

The Compensation Committee of Alcoa's Board of Directors has the authority to make adjustments to results because of unusual events. Business Unit/Location management and bargaining unit representatives will be provided the opportunity to give input for consideration for such adjustments. Such events might include the purchase or sale of business assets that was

not planned when goals were set for that Year, plant shut-downs, etc. It is intended that, once a commitment has been made to goals, changes will not be entertained except in truly unusual situations.

The Performance Pay calculations for each business unit and corporate performance for each Year will be communicated to the Union prior to payment.

A report of such calculations, when accompanied by a certification by the Controller of the Company that the Performance Pay calculations are in accordance with the provisions of Performance Pay, shall be final and binding on the Union, participants, beneficiaries, and the Company.

Payments of Performance Pay shall not be considered earnings for any other purpose, except as subject to the applicable statutory taxes on income.

The provisions governing Performance Pay shall not be subject to the grievance and arbitration procedures of the Labor Agreement.

This Agreement has been reached on the basis that the Union will ensure that, until and only to the extent the information is made available by the Company to the public at large, the information will be disclosed only to those reviewing for the Union the computations related to Performance Pay and neither the Union nor anyone reviewing such information for the Union will make any other disclosure of the information.

It is the intent and understanding of the parties that Performance Pay provide a vehicle for sharing profits, and should payment of Performance Pay, or any part of such payment, be required to be included in the regular rate under the Fair Labor Standards Act of any eligible hourly employee, the Company will reduce applicable percentages and adjust individual payout amounts such that the total payout for the applicable Year for each Business Unit/Location for bargaining-unit employees will not be changed by such decision. The parties shall make any and all adjustments to this document as may be necessary from time to time to ensure that the intent and understanding is upheld.

## **APPENDIX VII SUCCESSORSHIP**

If the Company sells an entire plant or an organizationally distinct operation thereof, subject to this Labor Agreement, and the purchaser intends to operate the same business at the same location within one (1) year of the sale, the purchase and sale agreement will include a provision to require the purchaser to extend offers of employment to members of the Company's collective bargaining unit such that a majority of the employees the purchaser needs to perform unit work will be members of the Company's collective bargaining unit. The Company will have no further obligation under this provision if (a) the purchase and sale agreement contains such terms or (b) the purchaser commits to the Company that it does not intend to operate the same business at the same location within one (1) year of the sale. This provision does not apply to the sale of a plant which has been closed for at least six (6) months or to the separate sale of equipment and/or real estate, including buildings, not intended to be operated within one (1) year after sale as the business at the same location.

## **APPENDIX VIII NEUTRALITY**

The Company agrees to a position of neutrality in the event that the Union seeks to represent any nonrepresented employees of the **Alcoa, Inc.** Neutrality means that the Company shall not comment negatively concerning the integrity or character of the Union or its officials.

The Company's commitment to remain neutral shall cease if the Union, its agents, or its supporters comment negatively on the integrity or character of the Alcoa, Inc. or its representatives.

The Company shall not unduly delay an election by the National Labor Relations Board.

## **LOCAL SUPPLEMENT**

### **ARTICLE XXIX — REDUCTION OF FORCES**

**A.** If, due to a reduction in working forces or as a result of and adjustment of hours in any department, an

## **ARTICLE XXIX (Cont'd.)**

employee is to be demoted, seniority shall, subject to the exceptions stated in Section 33 of Article XVI determine which employee shall be so demoted.

**B.** When it is necessary to lay off in the course of reducing the working forces in any department, seniority shall, subject to the exceptions stated in Section 33 of Article XVI, govern the order of the layoffs and after following the procedure in Paragraph A above, the employee with the lowest seniority shall be laid off first.

**C.** An employee laid off in any reduction of forces who has maintained his/her company seniority and is willing and able to do the job shall be given preference for available employment in other departments or plants within the bargaining unit before new employees shall be hired in such other departments.

**D.** An employee with one year or more company seniority who is scheduled to be laid off shall, upon his/her request, be transferred to such department of the bargaining unit and placed in such classification listed below as may be decided upon by the Company, provided:

i. There is work available which the employee is able to perform in a vacancy in one of the following classifications:

Janitor

Laborer

Die Room & Machine Shop Helper

Charger

Steam Clean Operator

Blacklight Helper

Straightener Helper

ii. His/her company seniority is greater than that of an employee in one of the above listed classifications and he/she is able to perform the work, in which case he/she will replace the employee with the least company seniority in such classification.

**E.** An employee with one year or more company seniority who is displaced by application of D-ii above shall,

if he/she so requests, have the right to placement under the provisions of Paragraph D if his/her company seniority so warrants.

F. An employee with one year or more of company seniority who is displaced because of a major improvement, a major change in process, or the permanent elimination of an entire operating unit or department shall be placed in accordance with Paragraph D above, or may be transferred to a classification with the bargaining unit as may be decided by the Company provided there are employees in such classification with less than one year of company seniority in which case the employee within the classification with the least company seniority shall be displaced.

## **LOCAL SUPPLEMENT**

### **ARTICLE XXX — RESTORATION OF FORCES**

A. In the restoration of forces in any department (or agreed subdivision thereof), the employees shall, subject to the exceptions stated in Section 33 (Exceptions to the Application of Seniority), be recalled in the following order provided each employee is able to perform the work:

1. The employee working in the department who had been demoted because of a reduction of forces shall, upon restoration of forces in the department, be returned to the classification, when available, held prior to such reduction of forces as caused his/her demotion, in order of greatest company seniority.

2. Employees who have been previously laid off from their regular department and who have restoration rights to the vacancy shall be recalled to their regular department in order of greatest company seniority, provided that the vacancy is in a classification other than the one listed in Article XXIX, Paragraph D, of the Local Supplement. Upon such recall, they shall then be restored directly to job classifications to which they then have restoration rights. A refusal by such employees then working in other departments to accept such recall shall constitute forfeiture of seniority within their regular department, and the department in which the employee is then working becomes his/her regular department or, in



## **ARTICLE XXX (Cont'd.)**

the case of employees not then working in other departments, refusal to accept such recall shall constitute forfeiture of seniority in accordance with the provisions of Article XVI.

**3.** A vacancy remaining in a job classification not listed in Article XXIX, Paragraph D (Reduction of Forces) of the Local Supplement after application of Paragraphs 1 and 2 above shall be filled by application of Article XVII, Section 37A of the Master Agreement.

**4.** A vacancy remaining in a job classification other than one listed in Article XXIX, Paragraph D of the Local Supplement after application of Paragraphs 1, 2 and 3 above shall be filled by recalling to their regular department and directly to the classification the employee with the greatest company seniority. If the recalled employee is then working in another department, a refusal to accept such recall shall constitute forfeiture of seniority within that department, and the department in which the employee is then working becomes his/her regular department.

**5.** If after application of 1, 2, 3 and 4 above, a vacancy remains, such vacancy will be filled by application of Article XVII, Section 37 (New Job Classification of Vacancy in Classification), except that employees then laid off from the Works will be considered along with applications for transfer on the basis of company seniority.

**B.** An employee laid off from his/her regular department and subsequently employed in another department may, when scheduled to be laid off from such second department, elect to have the latter department become his/her regular department for the purposes of this Article. If he/she so elects he/she forfeits any seniority rights insofar as his/her former regular department is concerned.

**C.** If a vacancy is not filled by a restoration of forces in accordance with Paragraph A-1 and additional employees are not required in the department, such vacancy shall be filled from among the employees then working in the

department in accordance with Article XVII, Section 37-A (New Job Classification or Vacancy in Classification).

### **ARTICLE XXXI — PAY FOR LOST TIME**

When the local plant conferences between any employee (including his/her or their Union representative or representatives) and the local plant Management or the processing or investigating of grievances must be held during his/her or their regular working hours, such conferences, processing, or investigating the grievances shall not result in any loss of time (hourly rate) to any such employees.

This Article is not subject to arbitration under Article V.

This Local Supplement for the Cleveland Works shall have the same period and be subject to the same termination provisions as the Master Agreement executed concurrently herewith.

### **ARTICLE XXXII — REFUSAL OF ASSIGNMENT**

If an employee refuses or fails to accept an assignment of a job classification other than his/her regular one, either in his/her own department or by transfer to some other department, he/she shall not lose his/her seniority in his/her own department except as provided in Article XXIX (Reduction of Forces) or XXX (Restoration of Forces) of the applicable Local Supplement and Article XVI, Section 32 (Notice of Restoration of Forces).

It is not the intent of this Article to provide employees the arbitrary right to refuse temporary assignments. Management will not use temporary assignments to unfairly discriminate against, harass, or discipline an employee.

### **CLEVELAND WORKS JOB CLASSIFICATIONS AND GRADES**

The following list of current job classifications and grades is for informational purposes only. The existence of this list in no way affects the provisions of the Labor Agreement and associated documents with respect to

changing, eliminating or combining of existing classifications or the creation of new jobs.

<b><u>Forge</u></b>	<b><u>Grade</u></b>
Abrasive Saw Operator—Test Lab	7
Band Saw Helper—Trim Room	5
Band Saw Operator—Final Cleanup	6
Bench Hand—Final Cleanup	8
Bench Trimmer—Titanium	8
Blacklight Helper	3
Blacklight Inspector	9
<b>Blacklight Inspector Trainee</b>	7
Charger—Hammer Shop	4
Chemical Finisher	5
Circular Saw/Slab Saw Operator	9
Closed Die Forger	23
Coating Applicator	3
<b>CNC Machinist</b>	20
Crane Operator—Die Shop	8
Crane Operator—Die Storage	8
Crane Operator—Hammer Shop	9
Crane Operator—Metal Prep.	8
Crane Operator—Press Room	8
Die Room and Machine Shop Helper	3
Die Storage Attendant	6
Final Inspector	13
Finish Operator—Wheel Line	9
Forging Chipper—Trim Room	8
Forging Machine First Helper	8
Forging Machine Operator	14
Forging Machine Utility Operator	10

<b><u>Forge</u></b>	<b><u>Grade</u></b>
Forging Roll Operator	14
Forging Tool Assembler	7
Grinder—Final Cleanup	6
Hammer Operator	<b>22</b>
Hammer Utility Operator	14
Heat Treater	<b>11</b>
High Temperature Metal Inspector	<b>14</b>
<b>High Temperature Metal Inspector Trainee</b>	<b>12</b>
Hot Inspector	<b>14</b>
Hot Inspector—Trainee	<b>12</b>
Hydraulic Press First Helper	9
Hydraulic Press Forger	23
Hydraulic Press Forger—Trainee	18-23
Hydraulic Press Lever Operator	9
Hydraulic Press Utility Operator	13
Industrial Truck Driver—Forge	8
Industrial Truck Driver—Shipping	9
Laboratory Machine Operator	10
Laborer—Die Room	2
Laborer—Final Cleanup	2
Laborer—General	2
Laborer—Metal Prep.	2
Laborer—Trim Room	3
Large Band Saw Operator	<b>11</b>
Large Hammer First Helper	10
Large Hammer Heater	6
Large Hammer Helper	6
Large Trim Press Setup Operator—Hammer	<b>12</b>
Layout Person	<b>23</b>

<u>Forge</u>	<u>Grade</u>
Layout Trainee	12, 15, 18
Manipulator Operator	9
<b>Manipulator Operator-Electric</b>	<b>13</b>
Mechanical Press First Helper	8
Mechanical Press Operator	14
Mechanical Press Utility Operator	10
Metal Service Person	5
Open Die Forger	23
Packer	5
Press Helper	7
<b>Process Specialist-Final Clean Up</b>	<b>13-16</b>
<b>Process Specialist-Heat Treat</b>	<b>16-19</b>
<b>Process Specialist-Inspection—Large Aero</b>	<b>19-22</b>
<b>Process Specialist-Inspection—Small Aero</b>	<b>19-22</b>
<b>Process Specialist-Metal Prep</b>	<b>14-17</b>
<b>Process Specialist-Press Room-Auto</b>	<b>18-21</b>
<b>Process Specialist-Press Room—Large Aero</b>	<b>18-21</b>
<b>Process Specialist-Press Room—Small Aero</b>	<b>18-21</b>
<b>Process Specialist- Press Room—Truck</b>	<b>18-21</b>
<b>Process Specialist-Repair-Large Aero</b>	<b>15-18</b>
<b>Process Specialist-Repair-Small Aero</b>	<b>15-18</b>
<b>Process Specialist-Wheel Line-Coater</b>	<b>18-21</b>
<b>Process Specialist-Wheel Line-Heat Treat</b>	<b>18-21</b>
Production Machine Operator	10
Production Machinist	14
<b>Production Machinist-Trainee</b>	<b>12</b>
Propeller Tong Holder	7
Saw Sharpener	9
Senior Die Storage Attendant	9

<b><u>Forge</u></b>	<b><u>Grade</u></b>
Senior Trim Machine Operator	7
Small Band Saw Operator—Test Lab	6
Small Band Saw Operator—Trim Room	6
Small Hammer Helper	6
Small Trim Press Operator	8
Small Trim Press Setup Person	12
Specialized Production Machine Tool Operator	14
Steam Clean Operator	6
Stock Attendant—Metal Prep.	6
Stock Preparation Operator—Metal Prep.	5
Straightener A	11
Straightener Helper	3
Tool Room ClerkTest Lab	4
Tool Room/Oil Attendant—Production Machine	6
Torch Trimmer	8
Ultrasonic Operator—Contact	9
Ultrasonic Operator—Immersion	16
Ultrasonic Immersion Trainee	14,15
Wheelabrator Operator	7
Wheel Line Machinist	13
Wheel Line Service Operator	11
<b>Wheel Line Shipping Truck Driver</b>	<b>10</b>

<b><u>Maintenance and Engineering and General</u></b>	<b><u>Grade</u></b>
Environmental Servicer	14
<b>Environmental Servicer</b>	<b>10,12</b>
<b>Facilities Generalist</b>	<b>7</b>
Facilities Maintenance Specialist	24
Facilities Maintenance Specialist Apprentice	8-24
Electrician	29
Electrician Apprentice	829
Millwright	27
Millwright Apprentice	8-27
Toolmaker	27
Toolmaker Apprentice	827
Heavy Equipment Operator	14
Industrial Truck DriverBuilding & Yards	8
Janitor	4
LaborerBuilding & Yards	2
LaborerMaintenance	2
Maintenance Helper	4
Power and Compressor House Mechanic	8
Power and Compressor House Helper	7
Power House/Refrigeration Engineer	23
Power Sweeper Operator	4
Rotoclone Cleaner	4
Stores and Receiving Clerk	9
Tool Room ClerkMaintenance	6
<b><u>Auto Wheel Plant</u></b>	<b><u>Grade</u></b>
Electrician Technician	29
Millwright Technician	27
Operator Technician	18-22

## INDEX OF CLEVELAND LETTERS

Subject	Page
Article V, Section 15-B .....	106
Article XXIV, Section 44 — Job Changes — Prompt Notification .....	106
NDHRL .....	107
Group Insurance for Local Union Officials .....	108
SUB .....	109
Article XXIV, Section 44 — Changed Jobs - Reasons for Changes .....	110
Training of Bargaining Unit Employees for Advancement .....	111
Handling of Wage Study Issues .....	112
Review of Judicial Decisions .....	113
Representation for Union Officials .....	114
Disciplinary Cases Involving Intoxication .....	115
Article XI — Supervisors .....	116
Overtime Subsequent to Layoffs .....	117
Accumulation of Departmental Seniority .....	118
Article IV, Section 7 — Limitations .....	119
Leaves of Absence .....	120
Return From Sick Leave .....	120
Article XIV — Disabled or Handicapped Employees .....	121
Grievance Reinstatement Procedure .....	121
S&A for Employees on Leaves of Absence .....	122
Discipline Rollback .....	124
Notification of Employees Receiving SUB .....	126
Health Care Cost Containment .....	129
Vacation Option .....	128



National Health Care .....	129
Eligible Earnings - Union Business .....	130
Contracting Out .....	131
Pension Administration .....	135
Excessive Overtime .....	136
New Employees .....	137
Medicare Risk HMOs .....	138
Benefits Representative.....	139
Wage Study Seminars.....	141
Disputes Involving employees Return to Work From Sick Leave .....	142
Health Care Benefits .....	143

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During the 1980 negotiations, the Company expressed concern regarding the Union's application of Article V, Section 15-B of our Labor Agreement. Moreover, the Company expressed apprehension with respect to timely awareness of the grievances the Union was appealing under the aforementioned Section. Such grievances shall concern only those matters which are designated in the Labor Agreement as being non-arbitrable. Such grievances should have been processed through the appropriate steps of the grievance procedure. Nonmandatory subjects of bargaining are also precluded from consideration under this procedure.

As a result of our discussions, the Union acknowledges that the Company should be made aware of the grievances to be discussed as far in advance as possible. If the Company has grounds to believe that any of the grievances submitted under this Section are not proper for such hearings, the Union will be so notified as soon as it can practically be accomplished and the parties shall confer regarding such matters. If such five (5) day meetings are subsequently held, no additional grievances will be considered, discussed or pursued in any manner, either directly or indirectly during such meetings. The Union will not permit any presentation or processing of grievances in Section 15 meetings which have not previously been communicated to the Company on a timely basis.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During our 1980 negotiations, the Union requested prompt notification of job changes as comprehended under Article XXIV, Section 44 of the Labor Agreement.

The Company agrees that timely notification to the Union of such change is an important factor in the effective administration of our Wage Manual procedures. We also recognize, however, that determination of the significance of a change or combination of changes involves a matter of judgment upon which honest disagreement may arise. Nonetheless, the Company intends to inform the Union promptly of any change which we judge of significance to warrant application of the provisions of Section 44.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## **ALCOA, INC.**

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

This will record the agreement reached between the parties on several matters recently discussed in connection with certain provisions of the current Labor Agreement between the International UAW and its Local 1050, and the ALCOA, INC., Cleveland, Ohio Works.

Effective 2001 September 30, for a period expiring 2004 September 30, a leave of absence, to be termed a Non-Disabled Health Related Leave (NDHRL), will be granted when such a leave is mutually satisfactory to the Company and the affected employee. Such leave of absence shall not exceed six months in duration.

During a Non-Disabled Health Related Leave, the employee shall accumulate departmental seniority as if he or she were on layoff, and contractual benefit coverages provided in Article XXI of the Labor Agreement, as described in the Employees Group Benefits Plan, shall be continued.

An employee becoming disabled while on a Non-Disabled Health Related Leave shall be placed on Sick Leave.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

This will confirm our discussion concerning the matter of allowing Local Union officers on full-time leave to continue their participation in certain aspects of our Employees Group Benefits Plan on a contributory basis.

The Company is willing to allow such participation in the following coverages if the individual makes a monthly payment of \$650.00 (effective September 30, 1996) to the Company on the first of each month at the location from which the individual is on leave of absence: Life Insurance - \$35,000; Managed Care, Dental Expense and Vision Expense Coverages (employee and dependent).

Changes in the Employees Group Benefit Plan or other cost increases to the Company for those coverages during the term of our Agreement will require a corresponding adjustment in the monthly payment cited above.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During the course of our 1971 contract negotiations, the matter of payment of Supplemental Unemployment Benefits at the Cleveland Works came under discussion.

This will confirm the understanding we reached to the effect that if an employee properly has and maintains layoff status, and is determined to be eligible for State unemployment compensation, and meets the contractual requirements for Supplemental Unemployment Benefits, he will be considered to be eligible for such Supplemental Unemployment Benefits by the Company.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

# ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

RE: ARTICLE XXIV - SECTION 44

During the course of the 1974 negotiations, the Company made a proposal on the captioned provision. In that language there were examples of valid operating reasons for instituting changes to existing job classifications. The Union expressed apprehension that the Company would possibly take the position that the enumerated examples constituted the only valid reasons for such changes.

The purpose of this letter is to assure the Union that the examples thus offered were offered solely as examples and were not intended to be the only reasons constituting valid operating reasons for instituting changes of job classifications.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During the negotiations of our 1977 Agreement the subject of the grievance procedure was discussed in considerable detail. The intent of this letter is to set forth the principal objectives established at that time and shared by the parties in this matter and to reconfirm discussions conducted on the subject during the 1962 and 1983 negotiations.

We agreed that the procedure as it has been functioning has not been as effective and responsive as we wish and intend. No singular primary reason can be identified for the procedure's past deficiencies. However, there have been a number of contributing factors, including: insufficient attention and effort being devoted to the problem-solving and communication aspects of the procedure at lower and more knowledgeable levels; large numbers of repetitive grievances; unnecessary delays in hearing and answering grievances; and lack of order and business like conduct during grievance meetings.

In order to improve this aspect of our relationship we have recognized the need to improve the effectiveness of the grievance procedure by such means as cooperating at all levels by approaching issues in a true sense of problem-solving discussion with the objective of reaching equitable solutions as expeditiously as possible. It is the intent of both parties to isolate the issues in dispute and to clearly state those specific differences throughout the grievance procedure. When a contractual difference exists between the parties that cannot be resolved outside the formal grievance procedure, the Union will set forth the grievance clearly and completely in writing. The parties agreed to record initial grievance discussions (filing) at the first step of the procedure. The occasion of a first step grievance discussion shall be noted as to the date and subject discussed, such note to be initiated by the parties specified in Article IV and a copy retained by each.



A grievance initiated or appealed beyond Step 1 of the grievance procedure will include specifically the facts in dispute, the pertinent contractual language to support the grievant's position, the grievant's name(s), and the requested remedy. The Company's second and third step grievance answers will state the nature of and basis for the complaint presented as well as the Company's disposition of the grievance. The Company further agreed that it would do its part to expedite all grievances through all steps of the grievance procedure. During processing of grievances, representatives of both parties will confine themselves to the facts and circumstances of the grievance at hand which clearly define the problem as it has been set forth by the Union as described above, and to which they will address themselves in an orderly, mutually respectful and businesslike manner.

Very truly yours,

Kathryn Shen

Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

The following restates the essence of our discussions during 1968 contract negotiations regarding the Union's concern for the preparation of bargaining unit employees for advancements in operations and equipment.

The Company recognizes that as equipment, machinery, and processes change, the need to update skills and knowledge may exist for bargaining unit employees to properly perform their jobs. It is, therefore, the Company's intent to provide to the extent reasonable and practicable, the additional training and work experience made necessary by such changes. The timing of such training and work experience, together with the determination of which and how many employees should be involved, will necessarily be governed by pertinent circumstances, including, but not confined to, the likelihood of a particular employee's being eligible for the job, the state of perfection of the changed process or equipment, the availability of the equipment, and production requirements.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During the course of our 1974 negotiations, the handling of wage study issues was discussed. It was agreed that when raising such issues, the Union will at that time, indicate in writing the following:

- a. Title, Department, and Job Number of the job classification in question.
- b. Nature and date of contended change(s), if applicable.
- c. List of the factors in dispute and the position of the Union in each factor.

It was further agreed that if a wage study grievance is not appealed within ninety (90) days from the date a written reply is received at any step, back pay will not accumulate beyond the end of such ninety (90) days and the time the appeal is made.

The Company confirms its intent to expeditiously consider and respond to wage study issues raised by the Union.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During the course of our 1974 negotiations, it was agreed that the Company and the Union will continue to review current and future judicial decisions interpreting applicable civil rights legislation. Where such decisions necessitate modifications of this Agreement, the signatory parties hereto will promptly negotiate and implement such modifications. Illustrative of areas which will receive continuing careful scrutiny to assure compliance with such legislation and subsequent interpretive judicial decisions are trades apprenticeships, transfer, bidding, demotion, layoff and recall procedures, lines of progression, and the effect of both Company and departmental seniority on equal employment opportunity for female and minority employees.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During our 1974 negotiations the matter of appropriate representation for Union Officials was discussed.

The Company regards it as desirable that Chief Plant Stewards, Chief Shift Stewards, Bargaining Committee Members, Plant Chairmen and Plant Vice Chairmen be provided consultation under Article VI, Paragraph B with another Union Official presently in the plant of equal or higher status. It is understood that these arrangements when made, would depend upon the relative availability of personnel and would not interfere with the operating requirements of the plant.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## **ALCOA, INC.**

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

This will confirm the understanding reached during our 1974 Labor Negotiations that the Company regards it as desirable in disciplinary cases involving intoxication, that consultation under Article VI, Paragraph B of the Labor Agreement be provided unless a disorderly or potentially disorderly situation appears imminent.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

This will record the gist of our discussion on Article XI (Supervisors) of the Labor Agreement during our 1968 negotiations. The removal of "regularly" from that provision was to allay Union fears and contentions that significant amount of bargaining unit work could be performed by supervisors without literal violation of the previous provision. It was agreed by the parties, however, that it was not intended that the removal of that word would encourage or legitimize complaints stemming from instances where the work performed was incidental to proper supervisory functions.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During our 1968 contract negotiations, the problems of overtime worked immediately subsequent to the layoff of employees from classifications affected by the overtime and the Union's desire for more advance notice of layoffs were discussed. The Company has stated, and hereby confirms, that layoffs planned by the Company to become effective late in the payroll week will, whenever practicable, be considered and posted to become effective at the end of that payroll week, thereby enabling the employees due to be laid off to share in that weekend's overtime.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson



## **ALCOA, INC.**

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During the negotiations of the 1965 Agreement, the matter of accumulation of departmental seniority of an employee recalled or transferred to a department was discussed.

It was agreed that in instances where such an employee is detained in the department in which he is then working, the accumulation of departmental seniority in the department to which he is being recalled or transferred will begin as of the date the first employee involved in the same recall or transfer enters the department.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## **ALCOA, INC.**

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During our 1965 negotiations, we discussed Section 7 (Limitations) of the Labor Agreement. We told you that we do not consider that Section to be a bar to our assumption of liabilities beyond the limits specified in that Section in cases where we feel there are unambiguous and compelling equities militating for additional liability.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During the course of the negotiations of our 1962 Agreement, the matter of granting leaves of absence for employees to campaign for and serve in full-time political office under the provisions of Section 16 of the Agreement was discussed. It was agreed that such campaigning for and serving in full-time political office would meet the "reasonable cause" requirement of this Section.

Such leaves may initially be granted for a period not to exceed two years, and are subject to renewal on a yearly basis on proper application by the employee and according to the same rules affecting the original issuance of the leave.

An employee on such leave, to be eligible for re-employment, should apply for reinstatement prior to expiration of the leave, or within fifteen days of the termination of the political job, whichever comes first.

It should be understood that for any employees granted such leave of absence, both parties grant the "consent" called for in Paragraph A of Section 16.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

This will confirm the understanding reached during the negotiations of our 1962 Agreement with respect to the placement of an employee under Article XIV, Disabled or Handicapped Employees. In the future, when the Company and Union agree to placement of an employee under Article XIV, the conditions pertaining to that placement shall be put in writing and signed by the parties.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_

Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During negotiations for our 1996 Labor Agreement we discussed the Union's desire to institute a grievance reinstatement procedure under Article IV of the Agreement.

We agreed to a limited grievance reinstatement procedure to be applicable in situations where the International Union desires, pursuant to its internal appeal procedures, to reinstate a previously withdrawn or settled grievance. The procedure will be applicable as follows:

1. The International Union shall inform the Company of the results of its internal review procedure and shall set forth in writing its reasons for suggesting a reinstatement.
2. The International Union and the Company shall consult regarding such requests and shall reinstate such grievances as they may mutually agree upon, which agreement shall not be unreasonably withheld.
3. The Union shall indemnify and hold the Company harmless from and against any and all claims, demands, suits or other forms of liability, including but not limited to back pay liability, which may accrue during the period of time between the date a grievance is settled or withdrawn and the date such grievance is reinstated. Requests to reinstate any given grievance hereunder shall be made within one (1) year of the date of settlement or withdrawal of such grievance.

Either party hereto may discontinue this agreement upon giving at least thirty (30) days' notice to the other party of its intention to do so. The giving of the foregoing notice shall not reflect the status of any grievances reinstated prior to the date of said notice.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During our 1980 contract negotiations we discussed the subject of continuance of Sickness and Accident Coverage for employees on leaves of absence.

It was agreed that in case of absence due to a leave of absence, Sickness and Accident Coverage would be continued for up to 15 days.

It is further agreed by means of this letter that an employee granted a leave of absence to perform authorized Union business would have Sickness and Accident Coverage continued for up to 31 days.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During the negotiation of our 1983 Labor Agreement, we discussed the situation where a given disciplinary action is predicated upon the existence of a prior disciplinary action and the latter is subsequently rescinded in full by the Board of Arbitration.

This will confirm that where a given disciplinary action is rescinded in full by the Board of Arbitration, and the existence of that disciplinary action had been used to determine the magnitude of a subsequent disciplinary action, the subsequent disciplinary action will be reduced to the magnitude it would have been had the original disciplinary action not existed.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001  
Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During the negotiations of our 1983 Labor Agreement, the Union requested that the Company notify the local Union when employees on sick leave or layoff receive vacation pay and when employees on layoff receive Supplemental Unemployment Benefits (SUB).

This will confirm that on a monthly basis, the Company will provide the local Financial Secretary of the Union with the names of employees on sick leave and layoff who received vacation pay and the names of employees on layoff who received SUB during that month.

In the instance that the existing payroll mechanism for complying with this request is changed due to organizational restructuring within the Company, the local parties will meet to determine how this request will be dealt with in the new structure.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson



## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

Cost containment of health-care costs are a mutual concern. The parties therefore agree to establish a Joint UAW-Company Study Committee to review various ways to contain the cost of health care delivery, assure quality and accessibility to care, and maintain or enhance the current level of benefits.

The Committee shall review:

- 1 -Utilization and quality review programs.
- 2 -Managed care programs.
- 3 -Enhancement of benefits through cost effective delivery.
- 4 -Expansion of offerings of HMOs, PPOs and implementation of EPOs.
- 5 -Social legislation and community planning that affect health care costs, accessibility, and quality.

Implementation of the Joint Committee recommendations may take place upon mutual agreement of the parties.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During the 2001 negotiations, the Company and Union agreed to allow the local parties to continue using their process of having an annually-developed, mutually-acceptable agreement for allowing employees two (2) weeks of regular vacation time to be taken in increments of one day at a time.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During our discussions of the 1993 collective bargaining agreement, the parties recognized that a National Health Care Program was under active discussion in Washington, D.C. and throughout the country. While the parties do not know what the details of such a Program might be and how it might impact bargaining-unit employees and the Company, the parties agree that should such a Program become effective, they will meet to resolve any issues raised by the overlap of that Program with the insurance program for bargaining-unit employees by utilizing the following principles:

1. Duplication will be eliminated at no loss to employees.
2. Net savings, if any, realized by the Company from the implementation of the National Health Care Program shall be paid into a fund established for payment of retiree insurance costs in future years. "Net Savings realized" will be measured as the amount of reduction in the Company's cost from the amount of expense in the calendar year immediately prior to full implementation of a National Health Care Program and shall take into consideration any premiums, taxes, or other contribution paid by the Company associated with funding the National Health Care Program.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

This will confirm our agreement during 1993 negotiations that the definition of Eligible Earnings (Section V, item 4 of Appendix VI) shall include the time lost and the straight-time earnings associated with that lost time at a rate not to exceed 8 hours per day or 40 hours per week for local union officials who are on an excused absence for union business and who otherwise would be actively at work.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

# ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

This letter is to confirm our discussion of the matter of contracting out work. During the 1996 contract negotiations, the Company did not agree to any contractual restrictions on the Company's freedom to contract out work. The parties, however, recognized the value of having a contracting-out process that meets the unique circumstances and business conditions that exist at Cleveland Works. To this end it was agreed that the local parties would design and implement such a process that is location-specific and business-based to guide the Company's decision-making process. Therefore, at Cleveland Works:

- A. A business-based contracting-out process will be jointly developed. Work will begin on that process within 60 days of ratification.
- B. The process will be implemented within 180 days of ratification of the Agreement.
- C. The process will include a monitoring function.
- D. The process will be sponsored by the location manager and the top local Union official or their designees for purposes of support and direction setting. Where appropriate, and at the Company's expense, facilitators and other resources will be utilized to help develop and maintain the process.

The attached guiding principles generated during the 1996 negotiations are to assist in that development. Both parties confirm their intention to actively and constructively seek innovative solutions to the contracting-out issue.

Disputes over contracting-out issues shall not be subject to arbitration but shall be subject to the provisions set forth in Article V, Section 15 of the Labor Agreement.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Attachment

Confirmed: \_\_\_\_\_  
Richard Isaacson

## **JOINT CONTRACTING OUT PROCESS**

### **GUIDING PRINCIPLES**

A profitable and productive business is the foundation for employment security and growth opportunity. Effective participation in performance of work issues by knowledgeable representatives of management and the union is essential to the achievement of a location's performance potential and thus its profitability. In recognition of these important benefits to the employees and the business, the following guiding principles for the establishment of a joint, location specific, business based contracting out process have been developed.

### **GUIDING PRINCIPLES**

#### **1. DATA AND INFORMATION:**

The joint contracting out process must function with as timely, accurate and complete data and information as is possible.

- a. Time schedules
- b. Man/hours by craft and/or job classification
- c. Overtime levels
- d. Human resources allocation
  - (1) Job security
  - (2) Layoff
  - (3) Hiring
  - (4) Adequate manpower
  - (5) Support services
- e. Cost information including proposed contractor contract language.
- f. Special project criteria
- g. Priority & sequence including emergency situations
- h. Time schedule changes
- i. Location operating plan information

#### **2. FACTORS:**

The following specific factors must be considered for proper analysis:

- a. Optimum utilization of in-plant forces should be a priority with the committee

- b. Job security
- c. Need to hire
- d. People on layoff
- e. Equipment - availability - leasing? - purchase?
- f. Technology and/or unique skill requirements
- g. Warranty work
- h. Legal and/or regulatory requirements
- i. Repair and maintenance and/or capital work is to be considered under this process.
- j. Shelf items; i.e., items available from a supplier's inventory/catalogue as a stock item and not made for sole source sale or from blueprints supplied by the Company.
- k. Bargaining unit/contractor decision criteria

### **3. SAFETY:**

Safety must be given priority consideration by the committee.

- a. Contractor and in-house employees must be held to the same safety standards and requirements for the same work.

### **4. REVIEW/EVALUATION:**

The following elements should be considered in the joint review/evaluation process:

- a. Data analysis
  - (1) Computer services
  - (2) Programs
  - (3) Data bases
- b. Quality measurements
- c. Accuracy of information
- d. Ongoing review process
- e. Performance measurements
  - (1) In-house
  - (2) Contractor
- f. Control procedures

## **5. FINANCIAL PLANNING:**

Location financial planning and budgeting information must be considered for long-term working forecasting.

- a. Investment criteria (Return on Investment - ROI)
- b. Capital budget
- c. Maintenance budget
- d. Business forecasts

## **6. COMMITTEE PROCESS:**

The joint committee must consider and determine the specifics of its own process.

- a. Procedures
- b. Function
- c. Joint structure
- d. Communication
- e. Internal/external resources

## **7. LOCATION:**

In all cases the contracting out process must address the specific needs of the location it serves.

## **8. HUMAN RESOURCES:**

The joint process should insure that the following human resource activities are adequate to support the work forecast:

- a. Apprenticeship programs/training
- b. Support staff
- c. Adequate manpower/hiring
- d. Overtime levels

## **9. DISPUTES:**

The joint committee should establish appropriate problem-solving procedures for handling disagreements or disputes arising under the process prior to activation of the parties' contractual remedies; i.e., grievance procedure, 5-day notice, etc.

- a. Individual work performance decisions
- b. Process review and adjustment



## **ALCOA, INC.**

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

This will confirm our agreement during 1996 negotiations regarding Pension Administrative Issues.

1. The Company and Union agree that Pension eligibility will be based on years, months, and days.
2. The Company and the Union agree to print the Pension Agreement and Summary Plan Description in a single document.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During the 2001 contract negotiations the parties discussed the Union's issue of excessive overtime for operating departments of Cleveland Works. The parties have explored the problem of scheduling employees to work multiple weeks of seven (7) days and ten (10)/twelve (12) hour shifts for extended periods. As part of the total resolution of this issue, the Company commits that it will not mandatorily schedule employees to work more than **two (2) consecutive weekends.**

The parties will also define the interpretation and implementation of the Article IX, Section 25, paragraph B language changes and resulting impact to the overtime distribution process at the plant.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During the 1996 negotiations, the parties discussed how the process of hiring new employees could be simplified to allow more efficient movement of employees into new positions. The following represents the parties' agreement on how the new process would operate.

There will be a new production classification, Production Trainee, established at a job grade six (6). This classification is established only for new employees being hired into Cleveland Works and is not accessible to classified employees (Section 37, Section 34, Local Supplements — Appendixes XXIX and XXX, etc.). New employees will maintain this classification for their entire probationary period and will be assigned to available work by the Company. While assigned as Production Trainees, employees will accrue seniority for benefit purposes. When the new employee has successfully completed his/her probationary period, he/she will be placed, by the Company, into a cleared departmental vacancy and will begin to accumulate departmental seniority in that department as of the date he/she is assigned. Production Trainees will not be eligible to bid vacancies or be subject to upgrading/downgrading. Production Trainees will not be permanently placed into a vacancy until the regular bidding process has been exhausted.

Additionally, the Union expressed apprehension that the Company would utilize Production Trainees to arbitrarily restrict currently classified employees' access to overtime. The Company reaffirms its intent that Production Trainees would not be assigned merely for the purpose of overtime avoidance. It is also the Company's intent that this process will assist in more expeditious movement of employees into the classifications for which they are the successful bidders.

The above classification will be implemented within sixty (60) days of the ratification of this agreement. The local parties will monitor the process to assure implementation and continued operation is successful.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

This letter confirms our understanding regarding the offering of Medicare Risk HMOs to retirees and family members who are eligible for Medicare. HMOs to be offered will be submitted to the UAW for approval.

It is agreed that such Medicare Risk HMOs will be offered on a voluntary basis to retirees. Retirees can return to the Alcoa Plan at any time with no change in Alcoa benefit as it may exist at that time.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

There shall be one (1) Local Union Benefits Representative assigned to Alcoa Inc. Cleveland Works, appointed by the Vice President of the National Department of the International Union UAW. The Vice President may also remove the Benefits Representative from his or her position. A Benefits Representative shall not function before or after a notice of his or her appointment or removal has been provided to the Employer.

The Local Union President may appoint a temporary replacement to service for a minimum of one week and a maximum of four weeks.

The time paid to a Benefits Representative shall be limited to eight (8) regular working hours in a day, forty (40) hours per week, at the employee's standard hourly wage rate. The duties of the Benefits Representative shall include:

- a. To confer with employees, retirees, beneficiaries, and surviving spouses who ask to see a Benefits Representative with respect to legitimate benefit problems under the health, life, disability, pension, retirement savings, or layoff benefits plans.
- b. To order for employees who are absent from, or not at work during their regular working hours for issues outlined in (a).
- c. To write position statements and to complete necessary forms with respect to an appeal for the denial of benefits or claims in full or in part.
- d. To file material with respect to the benefit plans.
- e. To make telephone calls with respect to legitimate benefit problems.

The employer will provide the Benefits Representative with a work area, telephone and secured files to use so that conversations may be held in private and confidentially maintained. This shall not preclude the Benefits Representative from discussing benefits related issues with the affected employee in his or her work area or that of the Benefits Representative.

During the Benefits Representative's regular work hours and without loss of pay, the Benefits Representative may accompany an Employer Representative for a mutually agreeable joint off-site visit to a local hospital, an impartial medical opinion clinic or a health maintenance organization, or similar type joint ventures, with respect to benefit plan matters.

Any Benefits Representative attending a scheduled meeting with management at a time other than the Benefits Representative's regular working hours, will be paid for the time spent in such meeting at his or her standard hourly wage rate.

One Benefits Representative attending the Local Union retiree chapter meeting will be paid for time spent in such a meeting.

During the weekend and off-shift, overtime scheduled in the Benefits Representative's equalization group will be made available to the Benefits Representative according to the overtime policy currently in place

Very truly yours,

Kathryn F. Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## **ALCOA, INC.**

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms. Bunn:

During the course of our 2001 negotiations the Union requested that the Company continue to conduct training sessions for new local bargaining committees and wage evaluation committee members in regards to the principles, development, and application of the Wage Manual with the objective being to enhance the understanding of both parties in these areas.

The Company agrees to the Union's request and will conduct two training seminars during the life of the 2001 Labor Agreement.

Very truly yours,

Kathryn F. Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 E. Jefferson Avenue  
Detroit, MI 48214

Dear Ms Bunn:

During our 2001 negotiations, the matter of handling disputes involving an employee's return to work from sick leave was discussed. The parties agree that any such dispute should first be addressed by the Company's physician and the employee's treating physician. If the dispute remains unresolved, the two physicians shall appoint a neutral third party physician who will make the final decision as to an employee's ability to return from sick leave. The decision made by the neutral third party physician shall be final and binding upon the affected employee, the Union and the Company. The Company agrees to pay the cost charged by the neutral third party physician.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson



## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Ms. Elizabeth Bunn  
Vice President & Director  
International Union, UAW  
Alcoa Department  
8000 East Jefferson  
Detroit, MI 48214

Dear Ms. Bunn:

The company shall pay the full cost of core benefits, with sufficient credits to cover the below-listed. In health care, the employee may opt out of medical (including the choice of basic medical), prescription drugs, dental and vision only with proof of spousal coverage. The core benefits are:

Flex Select

Rx - Option 3

Dental - Option 2

Vision

STD - 60%

LTD - 60%

Life - 1.0x annual wages\*

AD&D - 2x annual wages\*

HMO - Kaiser

\*annual wages are base hourly rate \* 2,080 hours + target performance pay (5%) rounded up to the next higher \$5,000

The benefits shall not be changed during the contract, except by mutual agreement. If the core HMO is no longer available, the company and union shall jointly select a new HMO as the core benefit.

The confinement requirement for home health care will not be imposed if there is no medical necessity based on the condition and its related treatment. Treatment will not be covered at home if confinement is not necessary and such treatment could be provided safely and less expensively in another outpatient setting. Home infusion therapy will be covered under home health care.

Costs for services routinely covered under the health plans, including HMO's shall also be covered when they are received as part of an approved clinical trial.

The company will make arrangements to reimburse an employee for the cost of a wig and wig stand for a health plan participant who suffers hair loss because of a condition such as Alopecia, result of a fire, dermatitis conditions, tissue or chemotherapy/radiation therapy. Eligibility is limited to once per lifetime, except for a child where a new wig is necessary because of growth.

Under orthotics, one pair of shoe inserts will be covered annually.

Default coverage for individuals that do not enroll will be core coverage at the family coverage level, where family coverage is applicable.

Pre-Medicare retirees who retire effective January 1, 2002 or later will have the core option medical (FlexSelect) and drug (Option 3). Medicare retirees who retire effective January 1, 2002 or later will have the Alcoa Medicare Supplement for medical (their current coverage) and the core option for drug (Option 3).

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Richard Isaacson

AGREEMENT  
Includes Agreements and  
Letters of Understanding  
Between  
UAW®  
And  
ALCOA INC.

## **INDEX**

### **CLEVELAND WORKS AGREEMENTS AND LETTERS OF UNDERSTANDING**

<b><u>Subject</u></b> . . . . .	<b><u>Page</u></b>
Single Day Vacations . . . . .	149
Attendance Control . . . . .	151
Attendance Control Codes . . . . .	153
Pass Protocol . . . . .	154
Attendance Disciplinary Rollback . . . . .	
Short Work Weeks . . . . .	
Document Discovery . . . . .	156
Union Officers' Clocking . . . . .	157
Bargaining Committee Shift Preference. . . . .	158
Union Officers' Shift Preference . . . . .	159
Administrative Control of Elected Officials. . . . .	160
Shift Preference within Classification. . . . .	161
Temporary Assigned Supervisors . . . . .	162
Safety Shoes . . . . .	163
No-Fault Safety Violations . . . . .	164
Joint Employee Assistance Program Steering Committee . . . . .	165
Alcoa/UAW EAP Policy . . . . .	166
Dispensary Coverage. . . . .	168
Child Care . . . . .	169
Food Service . . . . .	170
Emergency Lunch Money . . . . .	171
Tie Breaker . . . . .	172
Summer Hires. . . . .	173

### **FORGE PLANT AGREEMENTS AND LETTERS OF UNDERSTANDING**

<b><u>Subject</u></b> . . . . .	<b><u>Page</u></b>
Forge Plant Overtime Agreement. . . . .	174
Production/Manufacturing . . . . .	179
Contracting Out . . . . .	179
Forger Trainees . . . . .	178
Forger Training Standards Agreement . . . . .	186

Forger Training Standards .....	187
Layout Classifications .....	202
Ultrasonic Immersion Operator .....	204
Straightener Classifications .....	205
Production Machinist .....	206
Small Trim Set-Up Person .....	207
Hammer Operator .....	208
High Temperature Metal Inspector.....	209

#### WORKS ENGINEERING AGREEMENTS AND LETTERS OF UNDERSTANDING

<u>Subject</u> .....	<u>Page</u>
Works Engineering Contracting Out Principles and Procedures .....	212
Notification and Meeting Date Requirements ...	219
Tuesday Swiping Agreement .....	220
Skilled Trades Apprenticeship Selection .....	222
Apprenticeship Standards with Schedules of Work Processes .....	225
Apprenticeship Training Reimbursement .....	261
Environmental Servicer Operator.....	263
Notice of Vacancies .....	265
Landscaping Services .....	266
Janitorial Services .....	267
Works Engineering Overtime Charging Procedures .....	268
Local Market Adjustment .....	272

#### WHEEL PLANT AGREEMENTS AND LETTERS OF UNDERSTANDING

<u>Subject</u> .....	<u>Page</u>
Wheel Plant Overtime Agreement .....	273
Wheel Plant Shipping Truck Driver.....	

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis, President  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

During the 2001 contract negotiations, the Company and the Union agreed to allow employees to take up to two (2) weeks of their contractually entitled vacation in increments of one (1) day at a time. Below are the guidelines that have been jointly developed by the Company and Union to be used in the implementation of one (1) day at a time vacation. The below listed guidelines will be applied consistently and fairly throughout Cleveland Works.

1. Prior to the scheduling of regular vacations, each employee may set aside, if he or she so desires, one (1) or two (2) weeks of his or her contractually entitled vacation to be used as individual days of vacation.
2. Once the scheduling of regular vacations begins in an employee's area, an employee may not change his or her decision to set aside one (1) or two (2) weeks of vacation to be used as individual days of vacation.
3. An employee may not schedule his or her individual days of vacation until all employees have scheduled their regular weeks of vacation. Exceptions to this provision will be at the discretion of management.
4. The company will determine when employees who set aside one (1) or two (2) weeks of vacation to be used as individual days of vacation may make their requests as well as when they must be used by.
5. Employees must make their request for single days of vacation no less than seven (7) days and no more than thirty (30) days in advance of the day(s) being requested. All requests will be evaluated and granted on a first come, first serve basis. Exceptions to this provision will be at the discretion of management.

6. Management will determine the number of employees allowed on single days of vacation on any given day.
7. The maximum number of consecutive one (1) day vacations, which may be scheduled in advance by an employee, will be three (3) scheduled work days, excluding Holidays. Exceptions will be at the discretion of management.
8. Article X (C) (Returning from Vacation) will apply to employees who over stay a single day vacation that is connected to a regular vacation. For employees who over stay properly approved one (1) day vacations not connected to a regular vacation, the employee will be considered as having committed a minor infraction under the Standard Penalties.
9. Pay for a one (1) day vacation, regardless of the day taken, will be 1/5th of an employee's week of vacation pay. Single day vacation days will be counted as a day worked for sixth and seventh consecutive day purposes.
10. For pay purposes only, single day vacation days may be applied retroactively to an absence on any scheduled day of work, excluding holidays, with the exception of situations where abuse is indicated. Such requests must be made prior to 10:00 p.m. on the Monday following the week in which the absence occurred.
11. Except for the discipline and pay issues addressed in provisions #8, #9, and #10, any problems, complaints, or grievances concerning one (1) day at a time vacations will not be subject to or handled under the grievance and arbitration provisions of the Basic Labor Agreement. Instead, such matters will be handled by the designated representatives of the Company and the Union at the Plant.
12. During the term of this Agreement, the above provisions may be modified, if the parties mutually agree.

Very truly yours,

Kathryn Shen

Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

# ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

This letter confirms the understanding reached between the parties during our 2001 contract negotiations regarding attendance control.

1. Each employee's attendance control points will be tracked over a rolling twenty-six (26) week period, commencing with the date of his/her first absence, tardy or early quit.
2. Absence, tardy and early quit points will be issued according to the Attendance Codes listed on the attached sheet. Note that an employee will be issued one (1) full point if he/she is both tardy and leaves work early during the same scheduled shift.
3. An employee is expected to report an absence or a tardy through the use of the call-off system prior to the start of his/her shift.
4. Should an employee receive seven (7) points in a rolling twenty-six (26) week period, such employee will be counseled regarding his/her attendance. A company representative accompanied by a union official will counsel the employee regarding his/her attendance.
5. If an employee accumulates twelve (12) points or more in a rolling twenty-six (26) week period or an employee is counseled three (3) times in a rolling twelve (12) month period, the employee will be subject to discipline. If an employee is disciplined for accumulating at least twelve (12) points in a rolling twenty-six (26) week period, the employee's points will revert back to zero (0). If an employee is disciplined for receiving three (3) counselings in a rolling twelve (12) month period, the employee's points and counselings will revert back to zero (0).
6. Progressive Discipline for attendance violations will be as follows:
  - 1st Offense: Written Warning
  - 2nd Offense: Two (2) Day Suspension
  - 3rd Offense: Seven (7) Day Suspension
  - 4th Offense: Thirty (30) Day Suspension
  - 5th Offense: Discharge



7. Attendance related discipline will continue to remain on an employee's record for a total of three (3) years at which time the discipline will be removed from the employee's record and any other attendance related discipline remaining on his/her record will roll back one (1) level.
8. Prior to discipline being issued to an employee for his/her attendance record, the Labor Relations Department will verify the employee's attendance against payroll records. After such verification, the employee's attendance will be given consideration for: (a) Doctor's excuse(s) which may validate an illness; (b) whether the Medical Department sent the employee home; and (c) FMLA. Other exceptions which will be given consideration are as follows: (a) Excessive overtime; (b) inclement weather; (c) whether employee was counseled; (d) employee's attendance since he/she was counseled.
9. If an employee is sent home by the Medical Department, such employee's attendance will only be validated for two (2) days after being sent home, provided the employee does not report to work within the next two (2) days. Should the employee return to work within the two (2) days, the validation terminates.

Very truly yours,

Kathryn F. Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

**ATTENDANCE CODES  
ATTACHMENT TO ATTENDANCE POLICY**

<b><u>CODE</u></b>	<b><u>TYPE</u></b>	<b><u>POINTS</u></b>
A	Non-Validated Illness	1
B	Personal Business	1
C	Scheduled Day Off	0
D	Occupational (Company) Injury	0
E	Non-Occupational Injury	1
F	Union Business	0
G	Disciplinary Suspension-Attendance	0
H	Holiday	0
I	Vacation	0
J	Jury Duty	0
K	Military Duty	0
L	Layoff	0
M	Strike	0
N	Absent - No Known Reason	1
O	Family Leave	0
P	Arrive Late/Leave Early during same scheduled shift	1
Q	Quit	0
R	Return from Layoff	0
S	Leave Early	1/2
T	Tardy	1/2
U	Unauthorized Walkout	1
V	Validated Sick Leave	0 or 1
W	Worked	0
X	Bereavement	0
Y	Leave of Absence	0
Z	Disciplinary Suspension (other than Attendance)	0
9	Counseling	
3	3rd Counseling (Attendance Discipline)	

- Third series of A's in a rolling 26-week period = 1 point for each day
- First and second series of V's in a rolling 26-week period = No points
- Third series of V's in a rolling 26-week period = 1 point

September 30, 2001

Mr. Dennis Balis  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

1. This letter confirms our understanding during our 2001 contract negotiations concerning issues related to employees leaving the plant prior to the completion of their shift without having first received a written pass from their supervisor. It was agreed that the following process will be in place during the term of the contract:
2. An employee is not to leave the plant prior to the completion of his/her shift without having received a written pass from his/her supervisor or the Medical Department. An employee who requests and receives a written pass from his/her supervisor or the Medical Department must turn the pass into the guards at Gate #5 or deposit the pass into the box located at Gate #2. Note: Supervisors will not prevent an employee from requesting a written pass and leaving the plant prior to the completion of his/her shift.
3. An employee will be issued a written pass not subject to discipline for the following reasons: the employee is ill; the employee has an emergency to attend to; the employee provides twenty-four (24) hours advance notice that he/she must leave work early on a certain day.
  - If an employee requests a written pass to leave the plant prior to the completion of his/her shift because he/she is ill, the following process will be adhered to:
  - If an employee informs his/her supervisor that he/she is ill and requests a written pass to leave work prior to the completion of his/her shift, the employee will be directed by his/her supervisor to go to the Medical Department for evaluation.
  - If the Medical Department confirms that the employee's illness is valid and that the employee cannot continue to work, the Medical Department will issue the employee a medical pass. The Medical Department will call the employee's supervisor and inform him/her that the employee can no longer work his/her shift. If the employee takes a medical pass, the employee will not be subject to discipline under the Standard Penalties; however, the employee still remains subject to the Cleveland Works' Attendance Control Policy.
  - If the Medical Department concludes that the employee can continue to work but the employee insists on leaving, the Medical Department will instruct the employee to return to his/her super-

visor to get a written pass. The supervisor will issue the employee a written pass subject to discipline.

4. If an employee requests a written pass to leave the plant prior to the completion of his/her shift because he/she has an emergency to attend to, the following process will be adhered to:
  - If an employee informs his/her supervisor that he/she has an emergency to attend to and requests a written pass to leave work prior to the completion of his/her shift, the supervisor will issue the employee the pass. Note: The supervisor may request the employee to bring in documentation to substantiate why he/she had to leave early.
  - If the supervisor requests the employee to bring in documentation, the supervisor must notify the employee that failure to bring in documentation may subject the employee to discipline. Note: If the employee is providing documentation to substantiate a medical emergency, the employee must submit the documentation directly to the Medical Department.
  - If the employee substantiates the emergency, he/she will not be subject to discipline under the Standard Penalties; however, the employee still remains subject to the Cleveland Works' Attendance Control Policy.
5. If an employee informs his/her supervisor at least twenty-four (24) hours ahead of time that he/she will need to leave work early on a certain day, the following process will be adhered to:
  - An employee who provides his/her supervisor at least twenty-four (24) hours advance notice that he/she needs to leave work early on a certain day will be issued a written pass not subject to discipline. Note: The employee still remains subject to the Cleveland Works' Attendance Control Policy.
6. If an employee is not ill, does not have an emergency to attend to and/or does not provide advance notice yet requests a written pass to leave the plant prior to the completion of his/her shift, the employee will be issued a written pass subject to discipline. Note: If an employee is issued discipline, he/she will not be subject to the Cleveland Works' Attendance Control Policy.
7. An employee may refuse a written pass to leave the plant prior to the completion of his/her shift after he/she has requested it and continue to work.

Very truly yours,

Kathryn F. Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

In recognition of the Company and the Union's successful effort in establishing a new Attendance Control Program during the 2001 contract negotiations, the parties agree to the following:

1. The Company agrees to zero out each employee's points effective January 1, 2002, in conjunction with the start up of the new Attendance Control Program. This will be a one-time occurrence.
2. For employees who have attendance discipline and counselings on their record as of December 31, 2001, the Company agrees to roll back their discipline and counseling records one level effective January 1, 2002. This will be a one-time occurrence.

Very truly yours,

Kathryn F. Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

## **ALCOA, INC.**

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis, President  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

During the 2001 contract negotiations, the parties reconfirmed their understanding concerning the scheduling of employees within a classification during work weeks of less than five days:

In settlement of Grievances, 1631, 1632, 1633, 1634, 1635, 1636, 1638, 1639, 1641, 1642, 1644, 1660, 1661, 1662, 1664, 1665, and 1667, the Company is willing to give primary consideration to company seniority in scheduling within a classification work weeks of less than five (5) days.

It is understood that employees scheduled must be able to perform the available work. If such scheduling continues for more than four (4) consecutive weeks, the Company will meet with the Union for the purpose of determining whether such scheduling should continue.

It is understood that satisfactory arrangements have been made in certain areas (Hot Inspection in H Plant and L Plant Inspection, i.e., rotation) and that these arrangements will not be changed.

It is also understood that there will be exceptions to this general rule. Exceptions such as:

1. A crew working on a specific job assignment will not be broken up to satisfy the requirements of this general rule.
2. An individual working on a specific job assignment on which he has gained a special proficiency because of a relatively long run will continue on such an assignment without regard to the general rule above.
3. An individual or a crew working on a job assignment where continuity is required (i.e., making a die or permanent mold) will continue on such an assignment without regard to the general rule above.

The Company is willing to advise the Union when such exceptions are to be made.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis, President  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

During the 2001 contract negotiations the parties reconfirmed their understanding concerning shift preference for members of the UAW, Local 1050, Bargaining Committee.

The Bargaining Committee, consisting of the President, Vice-President, Recording Secretary, Works Engineering Plant Chairperson, Forge Plant Chairperson, and Wheel Plant Chairperson, shall be granted preference to work on the first or day shift as defined in their respective departments if operating requirements permit and the Union Official involved is capable of doing a job which is available in his/her classification. The determination of applicability of this understanding shall be made by the Company.

This understanding can at any time be modified by mutual agreement or be terminated thirty (30) days after either party gives written notice of intent to terminate to the other party.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis



## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis, President  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

During the 2001 contract negotiations, the parties reconfirmed their understanding concerning local shift preference agreements for union officers and representatives.

1. Plant Chairmen have preference to work the day shift.
2. Vice Chairmen have shift preference for the shift which they held at the time of election.
3. Chief Shift Stewards have shift preference for the shift which they were elected to represent.
4. Top Seniority Stewards (one in fifty) have shift preference for the shift which they were elected to represent.
5. Not more than one union official in a department or unit who has shift preference may exercise this preference unless they were elected to represent different physical location on that shift.
6. Based on operating requirements, the Company will try to avoid the assignment of a sole Departmental Steward to an area other than that to which he has been elected. (This applies only to the Forge Plant.)

None of the above understandings shall be exercised unless operating requirements permit and the union official is capable of doing a job which is available in his department or area.

The above understandings can at any time be modified by mutual agreement or be terminated thirty (30) days after either party gives written notice of intent to terminate to the other party unless they are elsewhere set forth in a superseding document.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis, President  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

During the 2001 contract negotiations the parties reconfirmed their understanding concerning employees reporting for work and remaining at work after being engaged in union affairs prior to the start of their shift.

It is understood between the parties that employees who are engaged in union activity prior to the scheduled starting time of their shift shall report for work at the start of their shift, or as soon thereafter as possible, upon the conclusion of the union business. The Union, of course, must clear such late reporting through the normal established procedures.

It is understood that such employees reporting for work after being involved in union affairs, shall work until the end of their shift or until such time as their assignments have been completed, barring unforeseen circumstances such as, for example, an illness where the employee might legitimately request to be relieved of his assignment and leave the premises.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

## **ALCOA, INC.**

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis, President  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

During the 2001 contract negotiations, the parties discussed the issue of shift preference. As agreed, shift preference within a classification will be granted to properly trained employees based on company seniority subject to the scheduling and operating requirements of the works. It is understood that this plan does not apply to departments or plants where continuous operations, i.e., boiler house, are scheduled or to departments or plants where rotating shifts, etc., are scheduled.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis, President  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

This will confirm our understanding reached during our 2001 contract negotiations regarding Temporarily Assigned Supervisors (TAS).

The parties have agreed that the intent of TAS is to fill in during vacations, temporary absences and temporary vacancies of salaried supervisors. It is agreed that an employee will not work as a TAS more than six months in any rolling twelve-month period.

When a TAS position is in effect for two consecutive four-month terms in a twelve-month period, the Company must notify the Bargaining Committee of their intent to cease using TAS's to fill the position.

An employee upgraded to TAS will be charged all overtime hours worked as a TAS. A TAS may not be scheduled to work overtime in his/her classification during the payroll week that he/she is acting as a TAS. However, a TAS may be scheduled to work overtime as a temporary foreman during the payroll week that he/she is acting as a TAS regardless of his/her position on the overtime charging list.

The Company agreed to provide Local 1050 with a monthly report on the usage of temporary supervisors. This report shall be submitted by the tenth day of each month and shall cover the preceding month. Each report shall contain the clock number and name of each temporary supervisor and the period of time served by each temporary supervisor during the month.

This will also confirm that temporary supervisors will not be permitted to issue discipline to bargaining unit employees nor appear as Company witnesses at grievance/arbitration hearings.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

## **ALCOA, INC.**

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis, President  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

During the 2001 contract negotiations the parties discussed continuation of the process to work with employees who, through the course of performing their job duties, experience extra ordinary deterioration of their safety shoes.

Both parties agree that a successful process to replace deteriorated safety shoes was put into place after the 1996 negotiations and that such process will continue with no diminishment in the level of service during the life of this labor agreement.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis, President  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

During the course of the 2001 contract negotiations, the parties discussed the subject of safety discipline relative to safety rule infractions. The Company reaffirms its commitment to provide safety training for the workforce with assistance and support from the UAW Safety Chairperson and the UAW Departmental Safety representatives.

The Company also agrees to continue the concept of not disciplining for "no-fault" safety violations, in the event an employee violates safety rules and/or regulations due to inadequate and/or lack of training. In such cases, the Company will ascertain that proper instruction is then provided. In addition, if an employee is injured or involved in an injury free event, the Company will conduct a thorough investigation with the assistance of the UAW Safety Chairperson or his/her designee. If discipline involving time off is being considered, the UAW Safety Chairperson or his/her designee will be informed prior to the issuance of discipline.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis, President  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

This letter will confirm our understanding reached during our 2001 Local Negotiations regarding the improvement of our Employee Assistance Program (EAP).

The parties have agreed to form a Joint EAP Steering Committee made up of an equal number of representatives from both the Company and Union, not to exceed a total of six (6) representatives appointed by each party. It is understood that if the number of representatives from either the Company or the Union falls below six (6), a new member or members will be appointed and notification will be given to the applicable party.

Joint EAP representatives will be well trained, dependable, and honest individuals who will strive to achieve EAP certification. Using internal and external resources, the Steering Committee will work together to heighten the awareness of the Employee Assistance Program at Cleveland Works and seek to provide the most effective assistance possible for the workforce. In addition, the Committee will focus on addressing EAP issues such as defining "for cause" guidelines, providing awareness training, benchmarking and other businesses' programs, and promoting EAP through increased communications and advertising. The Company will assume the responsibility of all costs incurred for training and certification purposes.

The parties are committed to the pursuit of this effort and to obtaining the required support from their respective leadership to enhance the success of our Employee Assistance Program.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

See Attachment: ALCOA/UAW EAP POLICY

## **ALCOA/UAW EAP POLICY**

This policy is intended to reinforce and enhance the existing Employee Assistance Program (EAP) currently in place at the Alcoa Cleveland Works facility in conjunction with the United Automobile, Aerospace, and Agricultural Implement Workers Union (UAW) Local 1050.

Alcoa and UAW Local 1050 agree to cooperate to further develop and implement an EAP program. It is also understood that this cooperation will be within the framework of the existing contractual agreement between the parties. The EAP committee will have equal representation from the union and management. Together, they will equally coordinate the programs' functions.

Alcoa and UAW Local 1050 recognize that Alcoholism and Drug Abuse are treatable diseases, and that other personal problems such as physical illness, mental or emotional illness, finances, marital or family distress, or other concerns are also treatable human problems.

The parties fully understand that these problems either singularly or in any combination can affect an employee's job performance, safety, attendance, personal and family well being.

The primary objective of the EAP program is to provide effective assistance and treatment to those individuals in need and to help Labor/Management deal more effectively with employees' problems.

The parties will mutually embark on an effort to enhance the Employee Assistance Program as a possible alternative to the normal labor relations process, in order to:

- Identify the problem at the earliest possible stage.
- Insure the utmost confidentiality.
- Motivate the employee to seek help.
- Direct the employee to the most appropriate and adequate medical, rehabilitative, counseling services



and/or other services as may be necessary to resolve their problems.

- Provide assistance for the employee's spouse and family members to help with their own problems or to help them cope with the employee's problem.

- Train supervision on how to recognize problem situations and how to offer EAP assistance and help provide employees with Union/Company follow up after return to work, as well as during and after treatment.

- UAW Local 1050 agrees to train stewards and union officials to refer employees to EAP representatives.

An employee's involvement in the EAP program will not result in, or prevent the occurrence of discipline, nor will it jeopardize his/her job security and/or promotional opportunities. The EAP program is strictly voluntary. **THIS EAP PROGRAM IS TO HELP, NOT HARM. IT IS DESIGNED FOR THE REHABILITATION, NOT ELIMINATION OF THE EMPLOYEE.**

Nothing in this statement of policy is to be interpreted as constituting a waiver of management's right to take disciplinary action or the Union's right to the grievance procedure within the framework of the contractual agreement.

All problems and records handled through the EAP program will be treated in a strictly CONFIDENTIAL manner.

The joint Labor/Management EAP committee shall provide assistance to all Cleveland Works employees, both salary and hourly. Salary employees should be encouraged to serve on the EAP committee.

Program design and implementation will be jointly reviewed for concurrence and agreement by the parties.

## **ALCOA, INC.**

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis, President  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

This will confirm our understanding reached during our 2001 contract negotiations regarding the issue of dispensary coverage.

As agreed, the Company will provide dispensary coverage whenever a minimum of 200 bargaining unit employees are scheduled to work a shift. The above indicated coverage will be twenty-four (24) hours per day provided that a sufficient number of bargaining unit members are present on each shift. When said coverage will not be provided, the Company will notify the UAW Safety Chairperson or his/her designee as soon as possible.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis, President  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

During the 2001 Local Negotiations the parties discussed the issue of child care concerns of our employees and Local 1050 members. In these discussions the parties identified the need for additional information regarding the needs of employees, costs, and the types of child care options that are available.

To provide the opportunity to properly obtain and evaluate the above information the parties have committed to continue work on the subject following the successful completion of the 2001 contract negotiations.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

## **ALCOA, INC.**

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis, President  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

During the course of the 2001 contract negotiations, the parties discussed the current food service operations at Cleveland Works. The parties agreed to establish a committee, consisting of Union and Company representatives that will meet with representatives of the food service vendor for the purpose of monitoring food service. The Union will name four (4) representative members to this Food Service Committee.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

# ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis, President  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

This letter confirms our understanding during our 2001 contract negotiations concerning emergency lunch money. Outlined below are the provisions under which emergency lunch money will be provided to both maintenance and production employees when it is necessary for them to work overtime because of an emergency that could not be foreseen on the previous day whereby employees could be so notified and provide their own lunches.

1. Employees will be paid emergency lunch money when required to work two and one-half (2 1/2) hours overtime without notification prior to the start of their regular shift.
2. Emergency lunch money will be \$4.00.
3. Employees will be reimbursed at the start of their emergency overtime.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

# **ALCOA, INC.**

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis, President  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

During the 2001 contract negotiations the parties discussed the process for determining employees' shift preference and bidding rights. The following procedure has been agreed to by the Company and the Union:

## **SHIFT PREFERENCE**

1. When employees are competing for shift preference within a classification, the employee with the greatest Company Seniority will be given preference.
2. If employees competing for shift preference have identical Company Seniority, the employee with the greatest Departmental Seniority will be given preference.
3. If employees competing for shift preference have identical Departmental Seniority, the employee with the lowest last four (4) digits of their social security number will be given preference.

## **BIDDING RIGHTS**

1. Bids will be awarded consistent with the agreed to terms established at Alcoa Wheel and Forged Products, Cleveland Works. This document is not intended to alter existing bid rights. However, if employees competing for bids have identical seniority as defined by the existing bid rights, the employee with the lowest last four (4) digits of their social security number will be given preference.

This agreement constitutes the entire agreement between the parties.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis, President  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

During the 2001 contract negotiations the parties reconfirmed their understanding concerning permitting summer hiring in production areas at the Cleveland Works under the following conditions:

1. Summer college students hired will be classified in a special labor pool in the Forge Plant separate from all existing classifications and departments.
2. These employees will be temporarily assigned for the summer period to the jobs in which they are needed.
3. These employees shall have no shift preference.
4. These employees shall be allowed to work overtime in a classification or department to which they are temporarily assigned after all scheduled staff on the overtime day.
5. These employees shall have no bidding or transfer rights under Article XVII, Section 37, or Article 28, Paragraphs C through G, from May 1 to September 1 of any applicable year that summer college students are utilized.
6. The Company shall supply the Union with a listing of all employees covered by this Agreement.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

## **FORGE PLANT OVERTIME AGREEMENT**

### **ARTICLE I - SCHEDULING**

- A. In order to distribute overtime as equally as possible, overtime will, when operating requirements so permit, be offered to those employees credited with the least amount of overtime hours.
  - 1. When a scheduling situation exists where more than one individual is charged with an equal amount of overtime hours within a classification, the individual or group of individuals who normally perform the proposed work may be scheduled. No distinction for scheduling purposes will be made among employees whose accumulated overtime hours are within twelve (12) hours.
  - 2. Preference to work their regular shift will be given according to company seniority to the employee eligible for overtime assignment provided that their regular shift is scheduled for overtime.
    - a. This shift preference will not extend to any shift other than the employee's regular shift.
    - b. This preference will not apply to assignments made to fill a vacancy created by a refusal unless the refusal occurs before the beginning of the second shift on Thursday.
    - c. If additional unclassified employees are needed in a classification, shift preference will be given to the classified employees before any unclassified employees.
    - d. In the event that less than the full complement of a classification is scheduled, preference to work other than an employee's regular shift, if openings are available on a more desirable shift, will be issued according to seniority.
- B. Foreseeable weekend overtime schedules will be posted on the preceding Wednesday.
- C. Preference to work the seventh consecutive day will be given to those employees scheduled to work the sixth consecutive day.



- D. In situations where more people are needed to work in a given classification than are available in that classification, the company will give a classified employee the opportunity to work in excess of eight (8) hours of overtime before offering such overtime to non-classified employees. Employees interested in working more than eight (8) hours of overtime shall notify their supervisor in writing on the Thursday preceding the weekend. It is the employee's obligation to check with the supervisor at the start of his/her next shift to determine if last minute opportunities for additional overtime exist. If more employees have signed for extra overtime hours than are needed, the low overtime employee will be scheduled. If more people are still needed, the Company will offer overtime to qualified persons in that particular line of progression first and then, finally, to qualified persons in the plant.
- E. In the event of a vacancy caused by the failure of an employee to report for work on an overtime day, or failure to provide notice prior to leaving work on the Friday prior to the weekend, the supervisor will attempt to fill the vacancy by going first to the classified employees in the plant, then by going through the line of progression and finally from the work force present in the plant regardless of classification or department. If notice is given during the employee's regular shift on Friday, the supervisor will make every effort to fill the vacancy. In instances where an employee leaves early for any reason, the vacancy may be filled at the supervisor's discretion from the available manpower present.
- F. Work assignments that are scheduled for a holiday will be issued according to seniority within a classification. A senior employee may refuse a work assignment on a holiday and still be eligible for holiday pay if the designated quota for his/her particular classification is subsequently filled by employees of lesser seniority. However, if every employee in the classification is offered the work, and the quota is still not filled, the junior employee will be scheduled.

- G. If there is overtime to be scheduled on a weekend following a Thursday and/or Friday holiday, preference to work the overtime will be given to those employees who worked on the holiday unless otherwise agreed to by the Company and the Union.
- H. An employee who has excused absences during a week for jury duty or bereavement shall be scheduled for weekend overtime work if the employee notifies his/her supervisor of his/her desire to work before the end of their shift on Wednesday prior to the weekend.

## **ARTICLE II - CHARGING**

### **A. General Rules**

- 1. All overtime offered within an employee's classification will be charged provided it is offered at least two (2) hours prior to the end of his/her shift.
- 2. Overtime that is worked out of an employee's classification but which is performed within that employee's departmental line of progression will be charged.
- 3. Notwithstanding the above, daily overtime performed for less than one (1) hour will be considered incidental and will not be charged provided it is worked at the end of the employee's regular shift.

### **B. For the purpose of calculating overtime hours to be charged, the following method will be used:**

- 1. Daily overtime and sixth consecutive day: 1.5 hours for each hour.
- 2. Seventh consecutive day: 2.0 hours for each hour.
- 3. No overtime hours will be charged for work performed on a holiday, except of course, any hours worked over eight (8) hours for which an employee will be charged 2.5 hours for each additional hour worked.
- 4. Employees who accept overtime on a partial schedule and do not report for work will be

charged double hours for the time missed. Only a major problem will constitute an excuse.

5. An employee who is absent or not available for scheduling within his/her classification regardless of the reason will be charged.
6. An employee who has physical limitations will be charged if he/she works, but will not be charged if suitable work is not available.
7. An employee may refuse to work two (2) consecutive shifts or alternate shifts (eight (8) hours off between shifts) and not be charged.

### **ARTICLE III - GENERAL**

- A. The overtime record for each department will be maintained in the supervisor's office. It will be available for review by the employees on a reasonable basis so as not to cause any unnecessary interference with production. In departments where overtime records are maintained by Data Processing, one copy of the current tape will be given weekly to the departmental steward upon request.
- B. Overtime balance for each employee will return to zero on January 1 of each year. At this time, overtime will start by seniority within the classification.
- C. Whenever an employee enters a new classification he/she will be charged with the average of the overtime hours within that classification.
- D. Whenever any employee returns from layoff he/she will be placed on the overtime list as follows:

If he/she has been laid off for a period exceeding six (6) months, he/she will be charged according to paragraph (C) of this article. If he/she was laid off for a period of less than six (6) months, the employee's hours will be averaged or he/she will be assigned the hours charged them at the time of his/her layoff, whichever is greater.

**ARTICLE III (Cont'd.)**

- E. Newly hired employees will not share in partial overtime for the first thirty (30) calendar days of employment unless all employees within their classification are scheduled, including extra hours to classified older employees and more employees are needed in that classification.
- F. It will be the responsibility of each employee to submit his/her current telephone number to the Employment Office.

**FOR THE COMPANY:**

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**FOR THE UNION:**

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# **PRODUCTION/MANUFACTURING CONTRACTING OUT PRINCIPLES AND PROCEDURES IMPLEMENTATION AGREEMENT**

## **PREAMBLE**

The Company and the Union recognize the seriousness of contracting out. Therefore a contracting out notification process has been developed. Accordingly, the Company and Union hereby agree to implement the below listed guiding principles and procedures in order to establish a joint, location specific, business based, contracting out notification process.

## **JOINT CONTRACTING OUT COMMITTEE**

1. The responsibilities for implementing and administering this contracting out process will be vested in the Joint Committee on Contracting Out (J.C.O.C.). This Committee will be established for the life of this Agreement, and shall consist of equal representation from Management and the Union. Membership of the Joint Committee on Contracting Out will be no more than six (6).

## **NOTIFICATION**

2. Where it is deemed necessary to contract out work that is normally done by the bargaining unit, the Company will issue the Union members of the J.C.O.C. (hereinafter referred to as the Union) a contracting out notice in advance of its final decision to contract out work and/or projects. Such notice will be in writing and will advise the Union of the location, type, scope, duration and timetable of the work to be performed, so that the Union can adequately make a decision on the involved contracting out matter(s). In the event that business needs or emergency requirements prevent such timely notice, the Company will contact the Union as soon as practicable and orally inform them generally of the involved situation.
3. Notice will generally contain the information set below:

- a. Location of work
  - b. Type of work
  - c. Estimated duration of work and completion date
4. Should the Union believe discussion to be necessary concerning a contracting out matter, they may request, in writing, within one (1) day after receipt of such contracting out notice, a meeting with the Company, and such meeting will be held within fifteen (15) days of such request, unless the Company and Union mutually agree to hold the meeting at a later time.
  5. Within five (5) days (excluding Saturdays, Sundays, and holidays) after the Company and Union's meeting to discuss work covered in the contracting out notice, the Union may file a grievance concerning such work. The grievance will be entered directly into the 2nd Step of the grievance procedure. Both parties agree that the Joint Contracting Out Process Guiding Principles, as described in the Basic Labor Agreement, as well as this Agreement, will serve as the rules and/or guidelines concerning all contracting out matters.

#### **QUARTERLY MEETING**

6. The Company and Union will meet quarterly, unless otherwise required by either party, to discuss contracting out matters. At such meetings, the Company will review with the Union its plans concerning work it intends to contract out and the reasons why. The Company will give full consideration to comments and/or suggestions by the Union and to alternate plans proposed by the Union for the work to be performed by the bargaining unit.

#### **ANNUAL MEETING**

7. The Company will meet annually with the Union to review capital/project work and/or extended contracting out type work for the upcoming year. Periodic status meetings may be held at either party's request.

**ARTICLE V, SECTION 15**

8. Disputes over contracting out issues will not be subject to arbitration but will be subject to provisions set forth in Article V, Section 15 of the Basic Labor Agreement.

Agreed to this \_\_\_\_\_ day of \_\_\_\_\_.

**FOR THE COMPANY:**

**FOR THE UNION:**

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# ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis, President  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

During the 2001 contract negotiations the parties agreed to reconfirm the understanding concerning the Start-Up Procedures in the Forge Plant.

The Company has reviewed the various Start-Up Procedures in the Forge Plant and based upon the understanding reached with the Union during the 1965 Contract Negotiations, (i.e., that the Company would give the Union in writing the Forge Plant Start-Up Procedures) the Company has set forth in writing the present procedures for making assignments to Forge Plant employees within their classifications, (as well as to other classifications under certain conditions). It should be understood that the below listed procedures are only listed in order to clarify for both the Company and the Union the procedures generally followed in the start-up of a shift.

1. Assignments during the first hour of the shift.
  - a. Under normal circumstances, there should be sufficient work available in those assignments normally associated with a classification so that all employees in the classification may be assigned to such work. In this case, the supervisor makes assignments to best utilize the available manpower without regard to the relative seniority of individuals within the classification.
  - b. In the event there is an insufficient quantity of work available to utilize the entire complement of those employees in the classification, the more senior (company seniority) employees within the classification are assigned to the available work.
  - c. At the start of the shift, if it is necessary to temporarily assign to a higher classification, an employee who has been reduced from that classification and presently working in the department shall be afforded the opportunity for the upgrade. At the start of the shift, consideration will be given to the most senior man in the classification below the one in which there is to be a temporary assignment, providing no employee then working has restoration rights to such classification. This is not to guarantee that the most senior man will automatically get the assignment.



- d. Those employees with less company seniority not assigned within their classification displace less senior employees in the next classification below in the line of progression provided such employees have sufficient ability to perform the assignment. If it is deemed necessary, this displacement procedure continues down the line of progression until the least senior employees in the classification at the bottom of the line of progression are assigned to a classification in another line of progression or department as such employee can best be utilized.
  - e. The above procedure is applied either at the beginning of a shift or during the first hour after the shift starting time, in the event there is insufficient work scheduled in the classification to utilize all employees in the classification. The above procedure is also applied if a breakdown of equipment or machines occurs or repair and maintenance are necessary, etc., which would dictate a shutdown for a duration of time that would reasonably dictate that the procedure should be applied. Also, if there exists the reasonable expectation that the work load will be depleted, or a shutdown of machines or equipment will occur during the first hour of the shift the above procedure is applied.
2. Assignments subsequent to the first hour of the shift.
- a. In the event the work within the classification to which an employee (or employees) has been assigned is exhausted or that supervision determines that such an assignment should not be continued at that time, or if a breakdown of machines or equipment occurs, or repairs and maintenance are deemed necessary, the employee (or employees) affected is often assigned to any available work for which it is determined the employee can best be utilized. Such assignment is made either within the classification if such work is available, or to available work in another classification or department.
  - b. An assignment as outlined above is made without regard to the Company seniority of the employee affected, or without regard to the relative seniority of other employees in the classification.
  - c. Employees in the Industrial Truck Driver classification in the Truck Department are assigned work in other classifications or departments on the basis of company seniority in the event the work load for the classification is depleted to the point where the full complement of employees in the classification cannot be utilized.

3. Employees reporting to work within the first hour of the shift.
  - a. In the event an employee reports to work late, but within the first hour of the shift, he will be assigned in accordance with Paragraphs 1a through e of the Start-Up Procedure.
  - b. Should an employee be more than one hour late after the start of his shift and his supervisor has work necessary for performance, the employee will be so assigned. Such assignment will be made without regard to the classification or the company seniority of the tardy employee or without regard to the relative seniority of other employees in the classification.
4. In the event production requirements or man loading requirements dictate that the normal start-up procedure cannot be reasonably adhered to, the Company is willing to discuss any changes to the start-up procedure with the appropriate Union official.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

## ALCOA, INC.

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis, President  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

During the 2001 contract negotiations the parties agreed to reconfirm the following:

1. The posting for forger trainees will not specify "open or closed die" forger. Upon completion of the forger training program, the Company will assign the classification of "open or closed" die forger.
2. When a vacancy occurs in the "open or closed" die forger classification, it shall be posted for three (3) working days so all classified "open/closed" die forgers may apply for the vacancy. Consideration shall be given to applicants on the basis of department seniority. Incumbents of the classification will only be afforded two (2) such moves during their employment.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

## **ALCOA, INC.**

1600 Harvard Avenue, Cleveland, Ohio 44105

September 30, 2001

Mr. Dennis Balis, President  
UAW, Local 1050  
2507 Harvard Avenue (Rear)  
Cleveland, OH 44105

Dear Mr. Balis:

During the 2001 contract negotiations the parties agreed that the Forger Training Standards Agreement dated June 11, 1996 and its addendum will remain in effect for the life of the contract.

Very truly yours,

Kathryn Shen  
Manager, Human Resources/Industrial Relations

Confirmed: \_\_\_\_\_  
Dennis Balis

**FORGER TRAINING STANDARDS**

**Agreed to Between**

**ALCOA, INC.  
CLEVELAND WORKS**

**and**

**INTERNATIONAL UNION,  
UNITED AUTOMOBILE AEROSPACE AND  
AGRICULTURE IMPLEMENT WORKERS OF  
AMERICA**

**and**

**UAW LOCAL NO. 1050**

**Effective 1996 June 11**

## **TRAINING STANDARDS**

The following Forger Training Standards covering the employment and training of Forger Trainees have been agreed to by the **ALCOA, INC.**, CLEVELAND WORKS, and the INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA, and its LOCAL UNION UAW, LOCAL 1 050.

## **PURPOSE**

The purpose of these Forger Training Standards is to make certain that extreme care is exercised in the selection of applicants and that methods of training are uniform and sound, with the result that they will be equipped for profitable employment and to further the assurance to the Company of proficient Forgers at the conclusion of the training period.

**INDEX**  
**FORGER TRAINING STANDARDS**

PURPOSE

ARTICLE I        DEFINITIONS

ARTICLE II       JOINT FORGER TRAINING  
COMMITTEE

ARTICLE III      SUPERVISION OF FORGER  
TRAINEES

ARTICLE IV      APPLICATIONS

ARTICLE V       STANDARDS USED FOR FORGER  
TRAINEE SELECTIONS

ARTICLE VI       CREDIT FOR PREVIOUS  
EXPERIENCE

ARTICLE VII      WORK EXPERIENCE/SAFETY

ARTICLE VIII     RELATED INSTRUCTION AND  
SCHOOL ATTENDANCE

ARTICLE IX       GRADES AND REPORTS

ARTICLE X        PERFORMANCE OF FORGER  
TRAINEES

ARTICLE XI       RESPONSIBILITIES OF A FORGER  
TRAINEE

ARTICLE XII      HOURS OF WORK

ARTICLE XIII     WAGES

ARTICLE XIV      DISCIPLINE

ARTICLE XV       LOCK-IN POLICY AND BIDDING  
RIGHTS

ARTICLE XVI      SENIORITY

ARTICLE XVII     RESOLUTION OF DIFFERENCES

ARTICLE XVIII    MODIFICATION OF STANDARDS